



**Board of Education  
Big Lake School District #727  
Regular Meeting**

**Mission Statement**

Our mission is to challenge, educate, & inspire all students  
to reach their highest level of achievement in  
academics, athletics, & the arts.

**Thursday, November 17, 2022  
6:30 PM  
Middle School Student Center  
601 Minnesota Ave  
Big Lake, MN 55309**

I. Call to Order	
Chair, Tonya Reasoner	
II. Roll Call	
Chair, Tonya Reasoner	
III. Approve Agenda	
Chair, Tonya Reasoner	
IV. Pledge of Allegiance	
Chair, Tonya Reasoner	
V. Open Forum	3
Chair, Tonya Reasoner	
VI. Consent Agenda	
Chair, Tonya Reasoner	
A. Previous Minutes	
Minutes from the October 27, 2022 Regular Board Meeting	
B. Claims and Accounts	4
Claims and Accounts for the month of November	
C. Credit Card Report	16
D. Personnel	22
E. Final Reading and Approval of Policies	23
208 Development of Policies; 209 Code of Ethics; 210 Conflict of Interest; 409 Employee Publications, Instructional Materials, Inventions, and Creations; 416 Drug and Alcohol Testing; 418 Drug Free Workplace/School; 421 Gifts to Employees and School Board Members; 427 Workload Limits for Certain Special Education Teachers; 515 Protection and Privacy of Pupil Records; 524 Internet Acceptable Use and Safety Policy; 524A Internet Use Agreement; 601 School District Curriculum; 903 Visitors to School District Buildings and Sites	
F. Remove Policy 432 Technology Acceptable Use-Staff (this was combined with Policy 524 Internet Acceptable Use and Safety Policy)	
VII. Donations	99
Chair, Tonya Reasoner	
VIII. Approve 2021-2022 Financial Audit	100
Director of Business Services, Angie Manuel and Matt Mayer, BerganKDV	
IX. Financial Report	262
Director of Business Services, Angie Manuel	
October report will be presented.	
X. School Showcase	280
High School Principal, Bob Dockendorf	
High School	
XI. Community Education Update	290
Director of Community Education & Communication Services, Stephanie Hillman	
XII. Activities Update	302
Activities Director, Jared Matson	

XIII. Bid Results, Recommendations and Award for Big Lake High School Renovations Buildings and Grounds Manager, TJ Zerwas	313
XIV. Bid Results, Recommendations and Award for Independence Elementary School Bid Package #2 Buildings and Grounds Manager, TJ Zerwas	316
XV. Canvass the November 8, 2022 General Election Chair, Tonya Reasoner	318
XVI. Authorize Issuance of Certificates of Election Chair, Tonya Reasoner	325
XVII. Second Reading of Policies Superintendent, Tim Truebenbach 438 Solicitations by Staff; 531 Pledge of Allegiance; 603 Curriculum Development; 604 Instructional Curriculum	332
XVIII. Approve Date for Organizational Meeting/Work Session Chair, Tonya Reasoner Monday, January 9, 2023 at 6:30 PM in the Middle School Student Center followed by a Work Session	
XIX. Set Joint Powers Meeting Chair, Tonya Reasoner Thursday, January 19, 2023, Big Lake City Council Chambers, 6:00 PM	
XX. Committee Updates A. Finance Committee Treasurer, Amber Sixberry B. Policy Committee Chair, Tonya Reasoner C. Buildings and Grounds Committee Board Member, Lenette Brown	
XXI. Student Representative Report Student Representative, Grace John	
XXII. Superintendent Report Superintendent, Tim Truebenbach	
XXIII. Adjournment Chair, Tonya Reasoner	

**Strategic Plan Focus Areas**

Student Support

Staff Support

Family & Community Engagement



# OPEN FORUM

*An open forum is scheduled during the beginning of each regular School Board meeting to allow district residents the opportunity to address the Board.*

**If you would like to address the Board, please fill out a slip with your name and address, and provide to the Chair prior to the meeting start time.**

**The guidelines for open forum are as follows:**

3

1. Speakers must state their name
2. Each speaker will be provided three minutes
3. No action can be taken unless the matter addressed is formally on the agenda
4. Speaker will not make negative comments regarding any employee of the District
5. The Board Chair can end the Open Forum at any time
6. Please note that data privacy laws do not allow for any matters concerning individual employees or students to be discussed

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 07/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102447	CH	1	12982	AliCole LLP	11/04/2022	\$1,003.00	150525	E 04 500 560 080 321 305	DIY CHUNKY BLANKET WORKSHOP 10/2
<b>Check Total:</b>							<b>\$1,003.00</b>			
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$62.50	150506	E 01 300 298 918 000 490	B000YUOY30 Nestle Coffee mate Coffee C
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150506	E 01 300 298 918 000 490	Amazon Shipping Charge
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$529.99	150507	E 04 500 596 000 344 530	B004QQQL0 Contender Mobile Folding S
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$149.99	150507	E 04 500 596 000 344 530	B08B1KGD5Q FDP SoftScape 15 inch Rot
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	(\$95.99)	150508	E 04 500 570 000 321 401	PO 31233 CREDIT
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	(\$5.99)	150509	E 01 110 203 902 000 401	PO 31330 CREDIT
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	(\$1,077.49)	150510	E 01 110 203 902 000 401	CREDIT 31330
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$5.91	150511	E 04 500 590 000 321 401	0140501827 The Snowy Day
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$7.99	150511	E 04 500 590 000 321 401	0140544577 Froggy Gets Dressed
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.99	150511	E 04 500 590 000 321 401	0316070408 The Family Book
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$10.99	150511	E 04 500 590 000 321 401	0316230537 It's Okay to Make Mistakes
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$6.26	150511	E 04 500 590 000 321 401	0439649676 Bear Wants More
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$11.78	150511	E 04 500 590 000 321 401	0578629097 Our Class is a Family
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$16.99	150511	E 04 500 590 000 321 401	0689831870 Bear Snores On
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$13.89	150511	E 04 500 590 000 321 401	0689859856 Bear Feels Sick (The Bear Bo
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.49	150511	E 04 500 590 000 321 401	0761455604 Sleep, Big Bear, Sleep!
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$7.99	150511	E 04 500 590 000 321 401	0807530794 Grumpy Pants
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.99	150511	E 04 500 590 000 321 401	1338225588 Big Bear, Small Mouse
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.99	150511	E 04 500 590 000 321 401	1338253328 Share, Big Bear, Share!
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$13.95	150511	E 04 500 590 000 321 401	1338646966 I'm Happy-Sad Today
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$9.58	150511	E 04 500 590 000 321 401	1368003559 We Don't Eat Our Classmates
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$20.79	150511	E 04 500 590 000 321 401	1406377732 We're Going on a Bear Hunt
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$11.59	150511	E 04 500 590 000 321 401	1503937453 I Am Not Scared (You Are Not
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$7.99	150511	E 04 500 590 000 321 401	1547607246 Ruby Finds a Worry (Big Brigt
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.00	150511	E 04 500 590 000 321 401	1554980712 Stella, Queen of the Snow (St
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$9.89	150511	E 04 500 590 000 321 401	1931636850 My Mouth Is A Volcano
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.99	150511	E 04 500 590 000 321 401	1934277185 You Are Friendly (Paperback)
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$19.71	150511	E 04 500 590 000 321 401	9576243505 ?? Playmaker Toys 5" Diecast
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$25.98	150511	E 04 500 590 000 321 401	B07KMRQ99V Jetec 50 Pieces Wooden Sr
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$13.68	150511	E 04 500 590 000 321 401	B08BG5Z6VM CJGQ Pebbles for Plants 3
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$7.99	150511	E 04 500 590 000 321 401	B09V1M3LRD CXP Good Goods Mini Sho
001	102448	CH	1	04874	AMAZON CAPITAL SERVICES	11/04/2022	\$12.95	150511	E 04 500 590 000 321 401	B0B4BG8D13 Family Is A Superpower

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001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$30.99	150511	E 04 500 590 000 321 401	B0B74TXLNK DEEKIN 16 Pcs Wooden Ha
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$12.07	150511	E 04 500 590 000 321 401	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$71.77	150512	E 01 100 218 000 388 401	Project Display Board (pack of 24)
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$92.00	150513	E 01 200 205 000 417 430	The Tiger Rising, paperback book
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$159.58	150513	E 01 200 205 000 417 401	Mobile Dry Erase Board (40x28)
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$54.62	150513	E 01 200 205 000 417 401	Teacher Created Resources Black 10 Pock
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	(\$6.01)	150513	E 01 200 205 000 417 430	
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	(\$13.99)	150513	E 01 200 205 000 417 401	
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.95	150514	E 01 110 810 000 000 350	CORNER GUARD
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$8.99	150514	E 01 110 810 000 000 350	EDGE GUARD
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$57.75	150515	E 11 300 292 000 000 401	B08KNYS6NZ 2 Inch x 26 Feet Hook and L
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150515	E 11 300 292 000 000 401	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$9.37	150516	E 01 005 630 000 000 401	B00006IFN9 Fiskars Original Orange Hand
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$12.99	150516	E 01 005 630 000 000 401	B0006HXLTE Fellowes Wire Step File II (65
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150516	E 01 005 630 000 000 401	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150517	E 04 500 590 000 321 401	1454916834 Ten on the Sled
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$10.89	150517	E 04 500 590 000 321 401	1481459732 Bear Can't Sleep (The Bear B
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$99.95	150518	E 01 300 361 000 830 433	B0065ER000 SKIL 80151 59-1/2-Inch Bar
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$89.45	150518	E 01 300 361 000 830 433	B0B51LDX9D POWERTEC 13131-P2 62" ;
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150518	E 01 300 361 000 830 433	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$29.99	150519	E 11 300 298 000 000 490	B01C7THQR6 M&M'S Milk Chocolate Canc
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$149.95	150520	E 11 300 298 000 000 401	B098BQJTT4 12 Oz. Disposable Paper Col
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150520	E 11 300 298 000 000 401	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$13.99	150522	E 01 300 620 000 000 470	1442426683 Hush, Hush / Crescendo / Site
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150522	E 01 300 620 000 000 470	Amazon Shipping Charge
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$189.30	150523	E 02 005 770 000 701 401	FS SUPPLIES
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$33.98	150524	E 01 005 630 000 000 401	B004I2GG5Y Brother Genuine P-touch TZE
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$54.85	150524	E 01 005 630 000 000 401	B00LPK5W66 Cable Matters UL Listed 50-
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$24.99	150524	E 01 005 630 000 000 401	B07M5QBPN8 TRENDnet 24-Port Blank Ki
001	102448	CH	1 04874	AMAZON CAPITAL SERVICES	11/04/2022	\$0.00	150524	E 01 005 630 000 000 401	Amazon Shipping Charge
<b>Check Total:</b>							<b>\$1,047.78</b>		
001	102449	CH	1 09213	AQUA ENGINEERING, INC.	11/04/2022	\$1,120.66	150527	E 01 005 810 000 000 350	B&G REPAIRS
001	102449	CH	1 09213	AQUA ENGINEERING, INC.	11/04/2022	\$2,374.80	150562	E 01 005 810 000 000 305	WINTERIZEDIRRIGATION SYSTEM
<b>Check Total:</b>							<b>\$3,495.46</b>		

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Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102450	CH	1 13241	BENEFIT RESOURCE LLC	11/04/2022	\$203.00	150526	E 01 005 105 000 000 305	COBRA OCTOBER 2022
						<b>Check Total:</b>	<b>\$203.00</b>		
001	102451	CH	1 02097	BIG LAKE CHAMBER OF COMMERCE	11/04/2022	\$15.00	150565	E 01 300 050 000 000 366	SEPTEMBER MEMBERSHIP (DOCKENDC
						<b>Check Total:</b>	<b>\$15.00</b>		
001	102452	CH	1 10336	BOULDER POINTE EQUESTRIAN AND E	11/04/2022	\$158.00	150521	E 04 500 560 000 321 305	DAY HORSE CAMP
						<b>Check Total:</b>	<b>\$158.00</b>		
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$13.00	150535	E 01 201 298 950 000 490	MS CONCESSIONS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$41.99	150535	E 01 201 298 950 000 490	MS CONCESSIONS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$18.77	150535	E 04 500 570 000 321 401	CE
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$21.57	150535	E 04 500 570 000 321 401	CE
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$115.93	150535	E 04 500 570 000 321 490	CE
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$256.70	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$39.35	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$77.92	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$26.94	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$42.75	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$61.89	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$97.19	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$88.30	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$77.79	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$113.59	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$152.13	150535	E 01 300 331 000 830 433	HS FACS
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	(\$115.93)	150535	E 04 500 570 000 321 490	CE
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$11.98	150535	E 04 500 580 000 325 430	
001	102453	CH	1 06130	CARD SERVICES	11/04/2022	\$103.95	150535	E 04 500 596 000 344 490	
						<b>Check Total:</b>	<b>\$1,245.81</b>		
001	102454	CH	1 13218	CENTRAL MN MENTAL HEALTH CENTE	11/04/2022	\$400.00	150532	E 01 201 208 000 799 305	THERAPY 09/14, 09/28, 10/12
						<b>Check Total:</b>	<b>\$400.00</b>		
001	102455	CH	1 01475	CONNEXUS ENERGY	11/04/2022	\$889.22	150531	E 01 005 810 860 000 331	ELECTRICAL (GLENWOOD)
						<b>Check Total:</b>	<b>\$889.22</b>		
001	102456	CH	1 12302	CREATE AND CONNECT STUDIO	11/04/2022	\$738.00	150534	E 04 500 560 000 321 305	YOGA CLASSESQ
						<b>Check Total:</b>	<b>\$738.00</b>		
001	102457	CH	1 13446	CROTTEAU, ADAM	11/04/2022	\$98.00	150528	E 11 300 294 113 000 305	V FB OFFICIAL VS ROCORI
						<b>Check Total:</b>	<b>\$98.00</b>		

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001	102458	CH	1	13443	CUBING ENRICHMENT OPPORTUNITIE	11/04/2022	\$315.00	150533	E 04 500 560 000 321 305	ONE-DAY RUBIK'S SPEEDSOLVING & ST	
<b>Check Total:</b>							<b>\$315.00</b>				
001	102459	CH	1	10215	CULINEX	11/04/2022	\$14,854.20	150536	E 02 300 770 000 701 530	MILK COOLER	
001	102459	CH	1	10215	CULINEX	11/04/2022	\$0.00	150536	E 02 300 770 000 701 530	SEE ATTACHED QUOTE 04/22/2022	
<b>Check Total:</b>							<b>\$14,854.20</b>				
001	102460	CH	1	01026	DICK BLICK	11/04/2022	\$31.11	150537	E 01 110 212 000 000 430	LIBERTY SUPPLIES	
001	102460	CH	1	01026	DICK BLICK	11/04/2022	\$1,976.67	150538	E 01 110 212 000 000 430	LIBERTY SUPPLIES	
001	102460	CH	1	01026	DICK BLICK	11/04/2022	(\$33.11)	150539	E 01 110 212 000 000 430	CREDIT	
<b>Check Total:</b>							<b>\$1,974.67</b>				
001	102461	CH	1	13444	DOORWAY TO COLLEGE FOUNDATION	11/04/2022	\$160.00	150529	E 04 500 560 000 321 305	ACT SEMINAR 10/05 & 10/06	
<b>Check Total:</b>							<b>\$160.00</b>				
001	102462	CH	1	05564	EMERGENCY OUTFITTERS, INC	11/04/2022	\$42.00	150566	E 04 500 570 000 321 305	CHILDCARE CPR CERTIFICATION CARD	
<b>Check Total:</b>							<b>\$42.00</b>				
001	102463	CH	1	12517	GERTENS	11/04/2022	\$1,636.60	150540	E 01 005 810 000 000 363	LIGHTNING FAST -15 DEGREE SIDEWAL	
<b>Check Total:</b>							<b>\$1,636.60</b>				
001	102464	CH	1	10461	JOHNSON CONTROLS	11/04/2022	\$682.68	150563	E 05 005 865 000 363 350	B&G REPAIRS	
<b>Check Total:</b>							<b>\$682.68</b>				
001	102465	CH	1	02161	LAKESHORE LEARNING MATERIALS	11/04/2022	\$219.00	150541	E 04 500 580 000 325 430	Toddler Heavy-Duty Hardwood Easel Item #	
001	102465	CH	1	02161	LAKESHORE LEARNING MATERIALS	11/04/2022	(\$10.95)	150541	E 04 500 580 000 325 430	Discount	
<b>Check Total:</b>							<b>\$208.05</b>				
001	102466	CH	1	13445	LYNCH, MICHAEL W	11/04/2022	\$400.00	150530	E 04 500 560 080 321 305	LIBERTY STARWATCH PARTY PROGRAM	
<b>Check Total:</b>							<b>\$400.00</b>				
001	102467	CH	1	04483	MCEA EXECUTIVE OFFICE	11/04/2022	\$737.00	150542	E 04 500 505 000 321 820	FALL 2022 CONFERENCE 10/05-10/07	
001	102467	CH	1	04483	MCEA EXECUTIVE OFFICE	11/04/2022	(\$737.00)	150542	E 04 500 505 000 321 820	FALL 2022 CONFERENCE 10/05-10/07	
001	102467	CH	1	04483	MCEA EXECUTIVE OFFICE	11/04/2022	\$737.00	150542	E 04 500 505 000 321 366	FALL 2022 CONFERENCE 10/05-10/07	
<b>Check Total:</b>							<b>\$737.00</b>				
001	102468	CH	1	10646	MN STATE HIGH SCHOOL MATHEMATIC	11/04/2022	\$600.00	150544	E 11 300 291 161 000 369	MATH LEAGUE REGISTRATION	
<b>Check Total:</b>							<b>\$600.00</b>				
001	102469	CH	1	10454	MN USAG	11/04/2022	\$450.00	150561	E 04 500 560 122 321 436	XCEL BRONZE & SILBER STATE COMME	
<b>Check Total:</b>							<b>\$450.00</b>				
001	102470	CH	1	10455	NORTH SHORE GYM SALES LLC	11/04/2022	\$1,641.81	150564	E 04 500 560 122 321 530	FOAM PIT CUBES	
<b>Check Total:</b>							<b>\$1,641.81</b>				

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001	102471	CH	1	13016	NORTHLAND REFRIGERATION INCORP	11/04/2022	\$973.28	150543	E 01 201 810 354 000 350	MS KITCHEN REPAIRS	
							<b>Check Total:</b>	<b>\$973.28</b>			
001	102472	CH	1	04315	NOVACARE REHABILITATION	11/04/2022	\$75.00	150545	E 11 300 292 153 000 305	ATHLETIC TRAINING SERVICES-SECTIO	
							<b>Check Total:</b>	<b>\$75.00</b>			
001	102473	CH	1	12194	PALMER WEST CONSTRUCTION COMF	11/04/2022	\$2,100.00	150546	E 15 300 865 000 383 520	PO 30791 PROJ ID#22B300.02A ROOF M	
							<b>Check Total:</b>	<b>\$2,100.00</b>			
001	102474	CH	1	09760	PREMIER LOCATING, INC.	11/04/2022	\$70.00	150547	E 01 005 810 000 000 305	TICKETS	
							<b>Check Total:</b>	<b>\$70.00</b>			
001	102475	CH	1	01840	RATWIK, ROSZAK & MALONEY, P.A.	11/04/2022	\$19,397.60	150549	E 01 005 110 305 000 305	SEPTEMBER 2022 SERVICES	
							<b>Check Total:</b>	<b>\$19,397.60</b>			
001	102476	CH	1	08275	REGION 5AA	11/04/2022	\$775.00	150550	E 11 300 292 153 000 305	10/26/2022 5AAA VB VS BIG LAKE VS FR	
							<b>Check Total:</b>	<b>\$775.00</b>			
001	102477	CH	1	13220	RUMPCA-BARRETT, JOELYN	11/04/2022	\$500.00	150548	E 04 500 570 000 321 305	CHILDCARE CPR/FA/AED CERTIFICATIO	
							<b>Check Total:</b>	<b>\$500.00</b>			
001	102478	CH	1	13176	SIGNATURE MECHANICAL, INC	11/04/2022	\$10,000.00	150555	E 15 201 865 000 383 520	PO 30500 PROJ #22A201.02	
							<b>Check Total:</b>	<b>\$10,000.00</b>			
001	102479	CH	1	07026	SOUTHWEST MN STATE UNIVERSITY	11/04/2022	\$3,300.00	150551	E 01 300 211 211 000 390	FALL SEMESTER 2022	
							<b>Check Total:</b>	<b>\$3,300.00</b>			
001	102480	CH	1	12845	SYSCO-MINNESOTA INC	11/04/2022	\$326.96	150554	E 02 005 770 000 701 490	FS SUPPLIES	
							<b>Check Total:</b>	<b>\$326.96</b>			
001	102481	CH	1	12762	T-MOBILE	11/04/2022	\$1,200.00	150556	E 01 005 630 000 000 320	HOT SPOTS	
							<b>Check Total:</b>	<b>\$1,200.00</b>			
001	102482	CH	1	01229	UNIVERSITY OF MN/OFFICE OF STUDE	11/04/2022	\$3,625.00	150557	E 01 300 211 211 000 390	FALL SEMEMSTER C1S	
							<b>Check Total:</b>	<b>\$3,625.00</b>			
001	102483	CH	1	06532	VISION STAFFING	11/04/2022	\$1,317.85	150559	E 01 005 810 356 000 305	GROUNDS SERVICES WEEK OF 10/23/21	
							<b>Check Total:</b>	<b>\$1,317.85</b>			
001	102484	CH	1	13048	WELLNESS FOR LIVING LLC	11/04/2022	\$120.00	150560	E 04 500 560 000 321 305	ICE CREAM SCIENCE	
							<b>Check Total:</b>	<b>\$120.00</b>			
001	102485	CH	1	01240	WRIGHT TECHNICAL CENTER	11/04/2022	\$13,208.67	150558	E 01 300 399 000 000 391	WTC ASSESSMENT NOVEMBER 2022	
001	102485	CH	1	01240	WRIGHT TECHNICAL CENTER	11/04/2022	\$2,447.33	150558	E 01 005 850 000 000 580	BUILDING ADDITION 2009	
001	102485	CH	1	01240	WRIGHT TECHNICAL CENTER	11/04/2022	\$1,439.91	150558	E 05 005 865 000 000 390	LONG TERM FACILITY MAINT. NOVEMBE	
001	102485	CH	1	01240	WRIGHT TECHNICAL CENTER	11/04/2022	\$2,272.66	150558	E 01 300 399 000 830 391	CTE LEVY NOVEMBER 2022	
							<b>Check Total:</b>	<b>\$19,368.57</b>			

### Big Lake Public Schools, ISD #727

### Payment Reg by Check-No Voids

Payment Date Range: 07/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description	
001	102486	CH	1	04472	CARING RIVERS UNITED WAY	11/04/2022	\$40.00	150754	B 01 215 045	United Way	
001	102486	CH	1	04472	CARING RIVERS UNITED WAY	11/04/2022	\$14.00	150754	B 12 215 045	United Way	
<b>Check Total:</b>							<b>\$54.00</b>				
001	102487	CH	1	04234	MN CHILD SUPPORT PYMT CENTER	11/04/2022	\$247.50	150744	B 01 215 081	Child Support	
001	102487	CH	1	04234	MN CHILD SUPPORT PYMT CENTER	11/04/2022	\$422.40	150744	B 12 215 081	Child Support	
<b>Check Total:</b>							<b>\$669.90</b>				
001	102488	CH	1	04223	NCPERS GROUP LIFE INS	11/04/2022	\$149.34	150748	B 01 215 033	NCPR Life	
<b>Check Total:</b>							<b>\$149.34</b>				
001	102489	CH	1	01973	SCHOOL SERVICE EMP LOCAL 284	11/04/2022	\$1,066.33	150750	B 01 215 040	U Due Nc	
001	102489	CH	1	01973	SCHOOL SERVICE EMP LOCAL 284	11/04/2022	\$167.58	150750	B 04 215 040	U Dues Nc	
001	102489	CH	1	01973	SCHOOL SERVICE EMP LOCAL 284	11/04/2022	\$1,991.25	150750	B 12 215 040	U Due Nc	
<b>Check Total:</b>							<b>\$3,225.16</b>				
001	102490	CH	1	04186	ACADEMIC THERAPY PUBLICATIONS	11/11/2022	\$43.00	150762	E 12 110 401 000 740 433	DDD-2963 Wiig Assessment of Basic Conc	
001	102490	CH	1	04186	ACADEMIC THERAPY PUBLICATIONS	11/11/2022	\$5.00	150762	E 12 110 401 000 740 433	Shipping	
<b>Check Total:</b>							<b>\$48.00</b>				
001	102491	CH	1	12982	AliCole LLP	11/11/2022	\$100.00	150761	E 04 500 560 080 321 305	DIY CHUNKY PUMPKIN GRAB & GO KITS	
<b>Check Total:</b>							<b>\$100.00</b>				
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$12.39	150759	E 04 500 590 000 321 401	068984509X Bear Wants More (The Bear E	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$7.83	150759	E 04 500 580 000 325 430	B0021Y9O1O Chef Craft Select Plastic Der	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$10.99	150759	E 04 500 580 000 325 430	B07H7D68PN Cococa 240pcs Colorful Goc	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$44.97	150759	E 04 500 590 000 321 401	B07PJY61KW Wave Runner Grip It Waterp	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$9.56	150759	E 04 500 580 000 325 430	B08X6L4ZQB Multi Grain Cheerios Heart F	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$79.76	150759	E 04 500 596 000 344 430	B091L66V5C Wall Mounted Clothes Hange	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$0.00	150759	E 04 500 580 000 325 430	Amazon Shipping Charge	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$297.45	150763	E 01 005 630 000 000 401	B0B2RXT3R6 Sunnote Space Heater for Ir	
001	102492	CH	1	04874	AMAZON CAPITAL SERVICES	11/11/2022	\$0.00	150763	E 01 005 630 000 000 401	Amazon Shipping Charge	
<b>Check Total:</b>							<b>\$462.95</b>				
001	102493	CH	1	04467	BARNES & NOBLE	11/11/2022	\$224.70	150760	E 01 200 205 000 417 430	9780147510488. War That Saved My Life	
<b>Check Total:</b>							<b>\$224.70</b>				
001	102494	CH	1	01033	CENTRAL MCGOWAN INC	11/11/2022	\$135.53	150764	E 01 300 361 000 830 433	HS SHOP SUPPLIES	
<b>Check Total:</b>							<b>\$135.53</b>				
001	102495	CH	1	13218	CENTRAL MN MENTAL HEALTH CENTE	11/11/2022	9 \$6,836.51	150765	E 01 005 730 000 699 303	SALARY & BENEFITS FOR 1.4 FTE	
<b>Check Total:</b>							<b>\$6,836.51</b>				

### Big Lake Public Schools, ISD #727

### Payment Reg by Check-No Voids

Payment Date Range: 07/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102496	CH	1 05564	EMERGENCY OUTFITTERS, INC	11/11/2022	\$798.00	150766	E 04 500 560 000 321 305	AM ACAD OF PEDS BABYSITTING
						<b>Check Total:</b>	<b>\$798.00</b>		
001	102497	CH	1 12946	GALLAGHER BENEFIT SERVICES INC.	11/11/2022	\$875.00	150768	E 01 005 105 000 000 305	PO 29735 JOB EVALUATION/DECISION E
						<b>Check Total:</b>	<b>\$875.00</b>		
001	102498	CH	1 06230	GOPHER STATE ONE-CALL	11/11/2022	\$5.40	150767	E 01 005 810 000 000 350	EMAIL TICKETS
						<b>Check Total:</b>	<b>\$5.40</b>		
001	102499	CH	1 13246	HERITAGE EMBROIDERY & DESIGN	11/11/2022	\$42.75	150769	E 11 300 296 112 000 401	BASKETBALL SCOREBOOK
001	102499	CH	1 13246	HERITAGE EMBROIDERY & DESIGN	11/11/2022	\$42.75	150769	E 11 300 294 112 000 401	BASKETBALL SCOREBOOK
						<b>Check Total:</b>	<b>\$85.50</b>		
001	102500	CH	1 13277	JELLYFISH GRAPHICS	11/11/2022	\$126.00	150772	E 11 300 293 116 000 401	YARD SIGN (SINGLE SIDED) W/STAKE
						<b>Check Total:</b>	<b>\$126.00</b>		
001	102501	CH	1 10461	JOHNSON CONTROLS FIRE PROTECTI	11/11/2022	\$1,610.00	150770	E 05 201 865 000 363 350	MIDDLE SCHOOL TROUBLESHOOTING E
						<b>Check Total:</b>	<b>\$1,610.00</b>		
001	102502	CH	1 13130	LMNO DESIGN CO LLC	11/11/2022	\$2,036.44	150771	E 01 300 790 000 699 303	PCN MEDIA CONSULTANT OCTOBER 20.
						<b>Check Total:</b>	<b>\$2,036.44</b>		
001	102503	CH	1 01121	MASSP	11/11/2022	\$175.00	150773	E 01 005 640 000 316 366	MN VIOLENCE PREVENTION SYMPOSIU
						<b>Check Total:</b>	<b>\$175.00</b>		
001	102504	CH	1 12559	SAUK RIVER WATERSHED DISTRICT	11/11/2022	\$300.00	150775	E 01 300 211 000 000 366	Science Connections Registration Fee
						<b>Check Total:</b>	<b>\$300.00</b>		
001	102505	CH	1 13322	STYLE CATERING	11/11/2022	\$519.91	150776	E 11 300 295 118 000 305	GIRLS SOCCER BANQUET 10/27/2022
						<b>Check Total:</b>	<b>\$519.91</b>		
001	102506	CH	1 08589	TITAN ENERGY SYSTEMS INC.	11/11/2022	\$589.48	150774	E 05 110 865 000 363 350	GENERATOR PM SERIVE ANNUAL
						<b>Check Total:</b>	<b>\$589.48</b>		
001	102507	CH	1 10309	UNIV OF WI EAU CLAIRE	11/11/2022	\$500.00	150778	E 01 300 960 000 340 898	21/22 SCHOLARSHIP (C IRELAND)
						<b>Check Total:</b>	<b>\$500.00</b>		
001	102508	CH	1 05170	WISNIESKI, DAVID	11/11/2022	\$240.00	150777	E 11 201 294 113 000 305	FB OFFICIALS
001	102508	CH	1 05170	WISNIESKI, DAVID	11/11/2022	\$86.00	150777	E 11 300 294 113 000 305	FB OFFICIALS
						<b>Check Total:</b>	<b>\$326.00</b>		
001	102509	CH	1 13466	SWANN, LAUREN	11/08/2022	\$296.98	150779	E 01 005 110 999 000 401	Bank return ACH pmt 11/4/22 Payroll net
						<b>Check Total:</b>	<b>\$296.98</b>		
<b>Bank 001 Total:</b>						10		<b>\$116,294.34</b>	
<b>Report Total:</b>								<b>\$116,294.34</b>	

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 7/1/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102510	CH	1 07711	ACDA-MN	11/18/2022	\$140.00	150793	E 01 300 259 000 000 820	ACDA Membership
<b>Check Total:</b>						<b>\$140.00</b>			
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$26.52	150783	E 01 005 630 000 000 401	B07MWPVH25 Amazon Basics 24 Units Pe
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150783	E 01 005 630 000 000 401	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$31.58	150784	E 11 300 295 126 000 401	B0896RG2J7 UCEDER Swim Tether Statio
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150784	E 11 300 295 126 000 401	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$113.52	150785	E 11 300 296 162 000 401	B012YFI2WQ SWAX LAX Lacrosse Trainin
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$9.47	150785	E 11 300 296 162 000 401	B07QF4TGFD SWAX LAX Lacrosse Trainin
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150785	E 11 300 296 162 000 401	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$113.52	150785	E 11 300 296 162 000 401	B012YFI2WQ SWAX LAX Lacrosse Trainin
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$9.47	150785	E 11 300 296 162 000 401	B07QF4TGFD SWAX LAX Lacrosse Trainin
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150785	E 11 300 296 162 000 401	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$164.95	150786	E 01 300 255 000 000 430	B097TTYDTL Sponser, Thank You, Appreci
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150786	E 01 300 255 000 000 430	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$12.79	150787	E 01 300 620 000 000 470	1982144734 Petals on the Wind (Dollangar
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150787	E 01 300 620 000 000 470	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$47.49	150788	E 01 201 208 245 000 401	B0B4RM56W7 40 Pcs Pencil Pouch for 3 F
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150788	E 01 201 208 245 000 401	Amazon Shipping Charge
001	102511	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$679.96	150789	E 01 201 208 000 000 530	FEZIBO Crank Adjustable Standing Desk
<b>Check Total:</b>						<b>\$1,209.27</b>			
001	102512	CH	1 13465	ANDERSON, JULIE	11/18/2022	\$528.00	150790	E 04 500 560 080 321 305	ZUMBA
<b>Check Total:</b>						<b>\$528.00</b>			
001	102513	CH	1 04467	BARNES & NOBLE	11/18/2022	\$359.50	150791	E 01 100 203 000 000 401	9780307931474 Escape from Mr. Lemonci
<b>Check Total:</b>						<b>\$359.50</b>			
001	102514	CH	1 13467	BPAM	11/18/2022	\$60.00	150792	E 04 500 560 000 321 305	11/05/2022 STATE BOWLING TOURNAME
<b>Check Total:</b>						<b>\$60.00</b>			
001	102515	CH	1 10648	COMPUTER EXPLORERS/TECH ACADE	11/18/2022	\$90.00	150823	E 04 500 560 000 321 305	VIRTUAL INTRO TO JAVA CODING
<b>Check Total:</b>						<b>\$90.00</b>			
001	102516	CH	1 12302	CREATE AND CONNECT STUDIO	11/18/2022	\$150.00	150794	E 04 500 560 000 321 305	PAINTING EVENT 11/07/2022 AT LUPULIN
<b>Check Total:</b>						<b>\$150.00</b>			
001	102517	CH	1 10215	CULINEX	11/18/2022	\$19,805.60	150796	E 02 300 770 000 701 530	MILK COOLER
001	102517	CH	1 10215	CULINEX	11/18/2022	\$1,558.73	150805	E 02 110 770 000 701 530	CD SERIES CABINET
001	102517	CH	1 10215	CULINEX	11/18/2022	\$1,558.73	150806	E 02 100 770 000 701 530	CD SERIES CABINET
<b>Check Total:</b>						<b>\$22,923.06</b>			

### Big Lake Public Schools, ISD #727

### Payment Reg by Check-No Voids

Payment Date Range: 7/1/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description	
001	102518	CH	1	01391	D. ERVASTI SALES CO., LLC	11/18/2022	\$1,696.00	150795	E 01 005 810 000 000 401	MARMOUND MOUND CLAY	
<b>Check Total:</b>							<b>\$1,696.00</b>				
001	102519	CH	1	12226	DARRYL WALETZKO	11/18/2022	\$3,800.00	150798	E 01 005 810 000 000 350	REPAIR 2 WASH OUTS	
001	102519	CH	1	12226	DARRYL WALETZKO	11/18/2022	\$400.00	150798	E 01 005 810 000 000 350	HAUL DIRT OUT OF BINS	
<b>Check Total:</b>							<b>\$4,200.00</b>				
001	102520	CH	1	04944	DOMINO'S PIZZA	11/18/2022	\$517.18	150797	E 11 300 298 000 000 490	OCTOBER 2022 CONCESSIONS	
<b>Check Total:</b>							<b>\$517.18</b>				
001	102521	CH	1	08417	EDUCATORS BENEFIT CONSULTANTS	11/18/2022	\$370.02	150834	E 01 005 105 000 000 305	403B ADMIN & COMPLIANCE MONTHLY I	
001	102521	CH	1	08417	EDUCATORS BENEFIT CONSULTANTS	11/18/2022	\$370.02	150835	E 01 005 105 000 000 305	403B ADMIN & COMPLIANCE MONTHLY I	
<b>Check Total:</b>							<b>\$740.04</b>				
001	102522	CH	1	10461	JOHNSON CONTROLS	11/18/2022	\$1,507.83	150799	E 05 005 865 000 363 350	REPAIRS TO INDEPENDENCE FIRE SYS	
<b>Check Total:</b>							<b>\$1,507.83</b>				
001	102523	CH	1	10151	LAKE COUNTRY SCALE WORKS, INC.	11/18/2022	\$420.00	150801	E 11 300 294 115 000 305	HS WRESTLING SCALES CALIBRATION	
<b>Check Total:</b>							<b>\$420.00</b>				
001	102524	CH	1	01121	MASSP	11/18/2022	\$175.00	150803	E 01 300 605 000 000 820	MN SCHOOL VIOLENCE PREVENTION (J	
<b>Check Total:</b>							<b>\$175.00</b>				
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$25.82	150833	E 01 300 255 000 000 430	Vest Econ 2 Tone Mesh s/m Zip ERG 8229.	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$68.86	150833	E 01 300 255 000 000 430	Vest Econ 2 Tone Mesh L/XL Zip ERG 8229.	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$51.65	150833	E 01 300 255 000 000 430	Vest Econ 2 Tone Mesh 2x/3x ERG 8229z-	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$25.82	150833	E 01 300 255 000 000 430	Vest ECON 2 Tone Mesh 4x/5x ERG 8229z	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$25.00	150833	E 01 300 255 000 000 430	Screenprint Setup Charge ATH SETUP	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$90.00	150833	E 01 300 255 000 000 430	Bigf Lake Sandbox Logo Screenprint two C	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$33.08	150833	E 01 300 255 000 000 430	Glove Foam Tech Palm Dip XL GLO 500NF	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$33.08	150833	E 01 300 255 000 000 430	Glove Foam Tech Palm Dip LG GLO 500NF	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$29.00	150833	E 01 300 255 000 000 430	Earplug 33DB Pre-Form w/o Cord 200 NAS	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$569.19	150833	E 01 300 255 000 000 430	Hard Hat, V-Gard 500 Full Brim NAS 454-1	
001	102525	CH	1	13327	MCCLELLAN SALES INC	11/18/2022	\$75.00	150833	E 01 300 255 000 000 430	Custom Stickers for Big Lake BIG LAKE ST	
<b>Check Total:</b>							<b>\$1,026.50</b>				
001	102526	CH	1	04410	MN DEPARTMENT OF HEALTH	11/18/2022	\$520.00	150808	E 05 005 865 000 352 305	WORKERS' COMP INSURANCE POLICY :	
<b>Check Total:</b>							<b>\$520.00</b>				
001	102527	CH	1	12605	MRI SOFTWARE LLC	11/18/2022	\$223.00	150802	E 01 005 105 170 000 305	OCTOBER 2022 BACKGROUND SCREEN	
<b>Check Total:</b>							<b>\$223.00</b>				
001	102528	CH	1	01298	NASCO	11/18/2022	\$2.00	150804	E 01 300 260 000 000 430	White LED bulbs - pack of 10; #NE30139	

# Big Lake Public Schools, ISD #727

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Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102528	CH	1 01298	NASCO	11/18/2022	\$11.00	150804	E 01 300 260 000 000 430	Freight
						<b>Check Total:</b>	<b>\$13.00</b>		
001	102529	CH	1 07890	PMA FINANCIAL NETWORK INC.	11/18/2022	\$221.59	150807	E 45 005 935 000 000 305	ASSETS OCTOBER 2022
						<b>Check Total:</b>	<b>\$221.59</b>		
001	102530	CH	1 09760	PREMIER LOCATING, INC.	11/18/2022	\$188.75	150809	E 01 005 810 000 000 305	TICETS AUGUST 2022
						<b>Check Total:</b>	<b>\$188.75</b>		
001	102531	CH	1 13463	SALMON, ABIGAIL	11/18/2022	\$200.00	150821	E 01 300 259 000 000 430	HS CHOIR REHEARSAL & PERFORMANC
						<b>Check Total:</b>	<b>\$200.00</b>		
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$81.00	150810	E 01 300 258 000 000 430	012-3391-000 Witch and the Saint
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$48.00	150816	E 01 300 258 000 000 430	03746216 Feel It Still
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$11.96	150818	E 01 300 258 000 000 430	W31CL Standard of Excellence Jazz Enser
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$11.96	150818	E 01 300 258 000 000 430	W31FL Standard of Excellence Jazz Ensen
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$7.50	150820	E 01 300 258 000 000 430	60-1 Music Filing Boxes: Instrumental Size
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$7.50	150820	E 01 300 258 000 000 430	60-2 Music Filing Boxes: Instrumental Size
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$64.00	150820	E 01 300 258 000 000 430	00-48142 Band of Heroes
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$52.00	150820	E 01 300 258 000 000 430	00-49514 Bahumba (CB)
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$54.40	150820	E 01 300 258 000 000 430	00-49560 The Gates of Morroco (CB)
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$72.00	150820	E 01 300 258 000 000 430	00-49523 Life Eternal (CB)
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB216205
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB315-201
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$753.00	150822	E 01 201 208 951 000 401	Anthem Euphonium EU 518 214
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone 314-205
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB 315 222
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB 314 252
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB 812-231
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$105.00	150822	E 01 201 208 951 000 401	Anthem Trombone TB 915 207
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$725.00	150822	E 01 201 208 951 000 401	Anthem Euphonium EV 417 202
001	102532	CH	1 01187	SCHMITT DIRECTOR CENTER	11/18/2022	\$725.00	150822	E 01 201 208 951 000 401	Anthem Euphonium EV 417 205
						<b>Check Total:</b>	<b>\$3,348.32</b>		
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$80.00	150811	E 01 300 258 000 000 350	Repair - Yamaha Bari Serial #041832
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$100.00	150812	E 01 300 258 000 000 350	Repair - Vito Bari Serial #00187888
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$45.00	150813	E 01 300 258 000 000 350	Holton Contra Bass Clarinet - Repair
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$110.00	150814	E 01 300 258 000 000 350	Leblanc Bass Clarinet Repair
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$95.00	150815	E 01 300 258 000 000 350	Yamaha Euphonium - Chem Clean

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 7/1/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$100.00	150817	E 01 300 258 000 000 350	Eastman 3 Valve Tuba - Chem Clean
001	102533	CH	1 01187	SCHMITT MUSIC ANOKA	11/18/2022	\$115.00	150819	E 01 300 258 000 000 350	Yamah 4 Valve Tuba - Chem Clean
<b>Check Total:</b>						<b>\$645.00</b>			
001	102534	CH	1 12779	TGK AUTOMOTIVE OF BIG LAKE, LLC	11/18/2022	\$1,318.72	150826	E 01 005 760 000 723 350	2018 FORD TRANSIT REPAIRS
<b>Check Total:</b>						<b>\$1,318.72</b>			
001	102535	CH	1 13212	THREE SONS HARDWARE LLC	11/18/2022	\$51.25	150824	E 01 300 361 000 830 433	OCTOBER 2022
001	102535	CH	1 13212	THREE SONS HARDWARE LLC	11/18/2022	\$37.87	150824	E 01 201 810 000 000 350	OCTOBER 2022
001	102535	CH	1 13212	THREE SONS HARDWARE LLC	11/18/2022	\$12.99	150824	E 01 300 810 000 000 350	OCTOBER 2022
<b>Check Total:</b>						<b>\$102.11</b>			
001	102536	CH	1 06532	VISION STAFFING	11/18/2022	\$204.00	150828	E 01 005 810 356 000 305	GROUNDS WEEK OF 11/06/2022
<b>Check Total:</b>						<b>\$204.00</b>			
001	102537	CH	1 12024	VSI	11/18/2022	\$1,650.00	150836	E 01 300 810 000 000 350	3600W AMP
001	102537	CH	1 12024	VSI	11/18/2022	\$35.00	150836	E 01 300 810 000 000 350	SHIPPING
001	102537	CH	1 12024	VSI	11/18/2022	\$320.00	150836	E 01 300 810 000 000 350	SERVICE REQUEST
001	102537	CH	1 12024	VSI	11/18/2022	\$480.00	150836	E 01 300 810 000 000 350	TROUBLESHOOTING
001	102537	CH	1 12024	VSI	11/18/2022	\$15.00	150836	E 01 300 810 000 000 350	INTERNAL BATTERY FOR MIXER
<b>Check Total:</b>						<b>\$2,500.00</b>			
001	102538	CH	1 05170	WISNIESKI, DAVID	11/18/2022	\$326.00	150825	E 11 300 294 113 000 305	FOOTBALL OFFICIALS
<b>Check Total:</b>						<b>\$326.00</b>			
001	102539	CH	1 10633	WOLD ARCHITECTS, INC	11/18/2022	\$64,179.88	150830	E 06 100 870 000 000 305	BOND PROJECT #22D100.01B INDEPENI
001	102539	CH	1 10633	WOLD ARCHITECTS, INC	11/18/2022	\$12,820.49	150831	E 06 300 870 000 000 305	BOND PROJECT #22E300.01B HS RENO'
001	102539	CH	1 10633	WOLD ARCHITECTS, INC	11/18/2022	\$143.50	150832	E 06 300 870 000 000 305	BOND PROJECT #22B300.01B HS DEHUI
<b>Check Total:</b>						<b>\$77,143.87</b>			
001	102540	CH	1 01240	WRIGHT TECHNICAL CENTER	11/18/2022	\$21,095.97	150829	E 01 998 211 000 303 390	WRIGHT ACADEMY HIGH SCHOOL OCT
<b>Check Total:</b>						<b>\$21,095.97</b>			
001	102541	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$11.15	150837	E 01 300 790 000 699 401	B00QSR9URI Amazon Basics Wide Ruled
001	102541	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$16.14	150837	E 01 300 790 000 699 401	B082PMZDG5 Sharpie S-Gel, Gel Pens, Fi
001	102541	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$359.99	150837	E 01 300 790 000 699 401	B0B17YZK7P Tbfif 65" W Loveseat Sofa, M
001	102541	CH	1 04874	AMAZON CAPITAL SERVICES	11/18/2022	\$0.00	150837	E 01 300 790 000 699 401	Amazon Shipping Charge
<b>Check Total:</b>						<b>\$387.28</b>			
001	102542	CH	1 13282	DIRECT COMMUNICATION SOLUTIONS	11/18/2022	\$1,150.00	150838	E 01 005 760 000 720 405	NOVEMBER 2022 BUSWHERE
<b>Check Total:</b>						<b>\$1,150.00</b>			

### Big Lake Public Schools, ISD #727

#### Payment Reg by Check-No Voids

Payment Date Range: 7/1/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001	102543	CH	1 01137	MSBA	11/18/2022	\$1,195.00	150839	E 01 005 010 000 000 366	2022 MUTUAL EXPECTATIONS IN-SERVI
<b>Check Total:</b>						<b>\$1,195.00</b>			
001	102544	CH	1 10327	NORTHERN AIR CORPORATION	11/18/2022	\$7,600.00	150840	E 06 300 870 000 000 520	BOND 22C-CONTROLS 22C005.01A
001	102544	CH	1 10327	NORTHERN AIR CORPORATION	11/18/2022	\$114,905.35	150841	E 06 300 870 000 000 520	BOND 22B-HS HVAC 22B300.01A
<b>Check Total:</b>						<b>\$122,505.35</b>			
001	102545	CH	1 01240	WRIGHT TECHNICAL CENTER	11/18/2022	\$850.78	150842	E 01 300 211 000 000 280	UNEMPLOYMENT BENEFIT CHARGES (E
<b>Check Total:</b>						<b>\$850.78</b>			
<b>Bank 001 Total:</b>						<b>\$269,881.12</b>			
<b>Report Total:</b>						<b>\$269,881.12</b>			

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1 01034	RESOURCE TRAINING & SOLUTIONS	11/10/2022	\$377.00	150663	E 01 005 105 000 000 401	Leaders in Educational Excellence
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$1,074.97	150567	E 01 100 810 000 000 332	Indy Water/Sewer September 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$1,956.60	150571	E 01 300 810 000 000 332	HS Water/Sewer September 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$1,198.15	150572	E 01 110 810 000 000 332	Liberty Water/Sewer September 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$1,022.77	150573	E 01 201 810 000 000 332	MS Water/Sewer September 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$82.45	150576	E 01 005 810 000 000 332	Admissions Water/Sewer September 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$44.88	150578	E 01 005 810 000 000 332	Bathrooms Water/Sewer Septembers 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$44.88	150708	E 01 005 810 000 000 332	Admissions Water/Sewer August 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$428.04	150709	E 01 300 810 000 000 332	HS Water/Sewer August 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$416.47	150712	E 01 201 810 000 000 332	MS Water/Sewer August 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$33.24	150713	E 01 005 810 000 000 332	Bathrooms Water/Sewer August 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$691.01	150715	E 01 100 810 000 000 332	Indy Water/Sewer August 2022
001		CC	1 01038	CITY OF BIG LAKE	11/10/2022	\$370.05	150716	E 01 110 810 000 000 332	Liberty Water/Sewer August 2022
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$528.66	150629	E 01 300 810 000 000 401	PO 31315/31315 HS Misc Cleaning Supplie
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$1,630.84	150629	E 01 300 810 000 000 401	PO 31315/31315 HS Misc Cleaning Supplie
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$46.08	150649	E 01 110 810 000 000 401	PO 31265 Liberty CLEANING SUPPLIES
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$780.80	150691	E 01 100 810 000 000 401	Indy B&G Supplies
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$3,784.20	150710	E 01 110 810 000 000 401	B&G Supplies
001		CC	1 01065	HILLYARD FLOOR CARE	11/10/2022	\$35.72	150710	E 01 201 810 000 000 401	B&G Supplies
001		CC	1 01065	HILLYARD MINNEAPOLIS	11/10/2022	\$69.12	150729	E 01 110 810 000 000 401	PO 31150 Liberty CLEANING SUPPLIES
001		CC	1 01131	STAR TRIBUNE	11/10/2022	\$183.00	150714	E 01 300 270 000 000 430	Newspaper for Social Studies
001		CC	1 01131	STAR TRIBUNE	11/10/2022	\$62.27	150723	E 01 005 020 000 000 820	Star Tribune Subscriber
001		CC	1 01146	MONTICELLO PRINTING	11/10/2022	\$55.30	150619	E 04 500 505 000 321 401	Business Cards
001		CC	1 01146	MONTICELLO PRINTING	11/10/2022	\$55.30	150619	E 04 500 580 000 325 401	Business Cards
001		CC	1 01146	MONTICELLO PRINTING	11/10/2022	\$31.92	150633	E 04 500 505 000 321 305	CE Purchased Services - Sign Stamp
001		CC	1 01210	STATE SUPPLY COMPANY	11/10/2022	\$288.00	150651	E 01 110 810 000 000 401	Riberglass Rope
001		CC	1 01210	STATE SUPPLY COMPANY	11/10/2022	\$161.00	150651	E 01 100 810 000 000 401	Riberglass Rope
001		CC	1 01210	STATE SUPPLY COMPANY	11/10/2022	\$322.00	150651	E 01 201 810 000 000 401	Riberglass Rope
001		CC	1 01215	SUPREME SCHOOL SUPPLY	11/10/2022	\$34.70	150650	E 01 201 208 000 000 401	PO 30945 Teachers Daily Reference Plann
001		CC	1 01333	MINNESOTA EQUIPMENT	11/10/2022	\$1,172.88	150612	E 01 005 810 000 000 350	B&G Repairs
001		CC	1 01487	MCDOWALL COMPANY	11/10/2022	\$1,720.00	150647	E 15 300 865 000 383 520	Install Roof Curbs
001		CC	1 01594	DEPT OF LABOR & INDUSTRY	11/10/2022	\$100.00	150681	E 05 005 865 000 352 305	Elevator Annual Inspection
001		CC	1 02097	BIG LAKE CHAMBER OF COMMERCE	11/10/2022	16 \$15.00	150579	E 01 005 020 000 000 366	Chamber Lunch
001		CC	1 03388	CONTINENTAL CLAY CO	11/10/2022	\$1,978.52	150720	E 01 300 212 000 000 430	PO 30993 HS Art Supplies

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1 03455	GRAINGER	11/10/2022	(\$179.24)	150569	E 05 300 865 000 363 350	FIRE EXTINGUISHER CREDIT & Linear LI
001		CC	1 03455	GRAINGER	11/10/2022	\$252.80	150569	E 01 201 810 000 000 350	FIRE EXTINGUISHER CREDIT & Linear LI
001		CC	1 03455	GRAINGER	11/10/2022	\$791.40	150682	E 01 110 810 000 000 350	PO 31289 B&G Supplies
001		CC	1 03705	REALLY GOOD STUFF	11/10/2022	\$1,005.92	150585	E 05 110 203 000 302 530	PO 31310 Angeles 5-Section Locker
001		CC	1 03849	DISCOUNT SCHOOL SUPPLY	11/10/2022	\$86.22	150648	E 04 500 570 000 321 401	PO 31175 Environments® Plush Emotions
001		CC	1 04336	MASBO	11/10/2022	\$225.00	150604	E 01 005 640 000 316 366	2022 Fall Conference (Angie Manuel)
001		CC	1 04336	MASBO	11/10/2022	\$225.00	150609	E 01 005 020 000 000 366	2022 Fall Conference (Tim Trueebenbach)
001		CC	1 04641	IEA	11/10/2022	\$1,092.00	150621	E 06 005 870 000 000 305	Bond Project ID #22C005.03B/LTFM
001		CC	1 04641	IEA	11/10/2022	\$1,142.20	150621	E 05 005 865 000 352 305	Bond Project ID #22C005.03B/LTFM
001		CC	1 04742	JUNIOR LIBRARY GUILD	11/10/2022	\$1,166.60	150635	E 01 300 620 000 000 470	PO 31113 Junior Library Guild Subscription
001		CC	1 04762	CHRIS LOMMEL PHOTOGRAPHY	11/10/2022	\$435.00	150590	E 11 300 293 118 000 401	10' Boys Soccer Banner
001		CC	1 04874	AMAZON.COM	11/10/2022	\$265.65	150600	E 01 005 630 000 000 401	Computer and Office Supplies
001		CC	1 04874	AMAZON.COM	11/10/2022	\$22.98	150603	E 01 005 630 000 000 401	22 Pens #114-3336034-6752238
001		CC	1 04874	AMAZON.COM	11/10/2022	\$569.33	150608	E 01 005 630 000 000 401	Office Supplies #114-5623580-1985869
001		CC	1 04874	AMAZON.COM	11/10/2022	\$386.20	150615	E 01 005 630 000 000 401	Data Cable #114-6060625-2458611
001		CC	1 04874	AMAZON.COM	11/10/2022	\$651.93	150689	E 05 005 630 000 302 555	MS Switch Room
001		CC	1 04874	AMAZON.COM	11/10/2022	\$1,534.86	150707	E 01 201 630 000 000 555	UPS Battery Units for MS
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$81.95	150655	E 11 300 298 000 000 490	HS Concessions 10.10.2022
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$133.15	150661	E 11 300 298 000 000 490	HS Concessions 10.07.2022
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$133.15	150662	E 11 300 298 000 000 490	HS Concessions 10.07.2022
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$57.35	150677	E 11 300 298 000 000 490	HS Concessions 10.05.2022 \$57.35
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$35.78	150690	E 01 005 105 000 000 490	Lunch during negotiations
001		CC	1 04944	DOMINO'S PIZZA	11/10/2022	\$57.35	150730	E 11 300 298 000 000 490	HS Concessions 10.05.2022
001		CC	1 05011	CRAGUN'S CONFERENCE CENTER	11/10/2022	\$237.79	150658	E 01 300 790 000 699 366	Fall PCN Training Retreat (Shallyn Tordeau
001		CC	1 05011	CRAGUN'S CONFERENCE CENTER	11/10/2022	\$237.79	150667	E 01 300 790 000 699 366	Fall PCN Training Retreat (Melissa Pribyl)
001		CC	1 05011	CRAGUN'S CONFERENCE CENTER	11/10/2022	\$237.79	150668	E 01 300 790 000 699 366	Fall PCN Training Retreat (Nicole Seafolk)
001		CC	1 05264	BSN SPORTS	11/10/2022	\$900.00	150591	E 05 300 292 000 302 530	PO 31300 Vapor Select Piped Pants
001		CC	1 05264	BSN SPORTS	11/10/2022	\$1,495.52	150618	E 05 300 292 000 302 530	PO 31169 Athletic Supplies
001		CC	1 05264	BSN SPORTS	11/10/2022	\$1,463.00	150622	E 11 300 292 000 000 401	HS Athletic Supplies
001		CC	1 05599	SUBWAY	11/10/2022	\$42.24	150628	E 01 005 010 000 000 490	Policy Committee Meeting 10/13/2022
001		CC	1 05805	LOOKOUT BOOKS	11/10/2022	\$416.36	150581	E 01 110 620 000 000 470	PO 31275 Liberty Supplies
001		CC	1 06051	FINKEN WATER CENTERS	11/10/2022	\$60.70	150574	E 01 110 810 000 000 401	Solar Salt
001		CC	1 06051	FINKEN WATER CENTERS	11/10/2022	\$93.70	150574	E 01 100 810 000 000 401	Solar Salt
001		CC	1 06051	FINKEN WATER CENTERS	11/10/2022	\$60.70	150574	E 01 300 810 000 000 401	Solar Salt

### Big Lake Public Schools, ISD #727

#### Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1	06051	FINKEN WATER CENTERS	11/10/2022	\$44.20	150574	E 01 201 810 000 000 401	Solar Salt
001		CC	1	06051	FINKEN WATER CENTERS	11/10/2022	\$60.95	150574	E 01 005 810 000 000 332	Solar Salt
001		CC	1	06105	COMMITTEE FOR CHILDREN	11/10/2022	\$459.00	150568	E 12 110 412 000 740 433	PO 31309 Second Step Elementary Classr
001		CC	1	06190	MNAFEE	11/10/2022	\$79.00	150577	E 04 500 580 000 325 366	EC MNAFEE Conf.
001		CC	1	06355	MINNESOTA ELEVATOR, INC	11/10/2022	\$601.59	150678	E 05 005 865 000 347 350	Oct-Dec Quarterly Service
001		CC	1	06540	KULLY SUPPLY, INC.	11/10/2022	\$1,388.81	150711	E 01 110 810 000 000 350	B&G Supplies
001		CC	1	06569	SCR, INC.	11/10/2022	\$329.33	150638	E 01 201 810 354 000 350	MS Walk In Freezer Repairs
001		CC	1	06928	MACGILL & CO.	11/10/2022	\$224.97	150593	E 12 100 411 000 740 401	PO 31286 Medium Economy Powder Free
001		CC	1	06947	MINNETESOL	11/10/2022	\$190.00	150674	E 01 005 219 000 317 366	2022 MN English Learner Education Confe
001		CC	1	06947	MINNETESOL	11/10/2022	\$230.00	150675	E 01 005 219 000 317 366	2022 MN English Learner Education Confe
001		CC	1	07785	CARIBOU COFFEE CO	11/10/2022	\$7.15	150643	E 01 300 790 000 699 490	PCN Grant
001		CC	1	07785	CARIBOU COFFEE CO	11/10/2022	\$5.57	150644	E 01 300 790 000 699 490	PCN Grant
001		CC	1	07785	CARIBOU COFFEE CO	11/10/2022	\$7.07	150646	E 01 300 790 000 699 490	Caribou \$7.15
001		CC	1	07881	TOWNSEND PRESS	11/10/2022	\$108.64	150686	E 01 300 810 351 000 460	PO 30934 The Odysseys/1-59194-042-7
001		CC	1	08066	TARGET	11/10/2022	\$137.42	150598	E 01 300 211 012 159 401	HS Homeless Supplies
001		CC	1	08066	TARGET	11/10/2022	\$124.95	150599	E 01 300 211 012 159 401	HS Homeless Supplies
001		CC	1	08066	TARGET	11/10/2022	\$52.98	150601	E 01 300 211 012 159 401	HS Homeless Grant
001		CC	1	08066	TARGET	11/10/2022	\$37.99	150610	E 01 300 211 012 159 401	Homeless Supplies
001		CC	1	08066	TARGET	11/10/2022	\$22.00	150697	E 01 110 203 012 159 401	Homeless Supplies
001		CC	1	08066	TARGET	11/10/2022	\$18.00	150699	E 01 110 203 012 159 401	Liberty Supplies
001		CC	1	08174	PIZZA PUB	11/10/2022	\$368.96	150692	E 11 300 298 000 000 490	HS Concessions 10.03.2022
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$44.06	150669	E 01 005 810 000 000 320	DO Long Distance
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$6.95	150700	E 04 500 505 000 321 305	CE Long Distance September 2022
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$32.36	150701	E 01 100 810 000 000 320	Indy Long Distance September 2022
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$25.85	150703	E 01 110 810 000 000 320	Liberty Long Distance September 2022
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$6.97	150704	E 01 201 810 000 000 320	MS Long Distance September 2022
001		CC	1	08198	ROCHESTER TELECOM SYSTEMS INC	11/10/2022	\$23.44	150705	E 01 300 810 000 000 320	HS Long Distance September 2022
001		CC	1	08347	WALMART	11/10/2022	\$59.52	150613	E 01 110 203 902 000 401	Veteran's day bags
001		CC	1	08347	WALMART	11/10/2022	\$61.96	150623	E 01 110 203 902 000 401	Veteran's Day Bags
001		CC	1	08347	WALMART	11/10/2022	\$53.38	150634	E 01 300 790 000 699 401	PCN Grant Supplies
001		CC	1	08347	WALMART	11/10/2022	\$48.88	150672	E 04 500 570 000 321 401	KC, CE, SR Supplies
001		CC	1	08347	WALMART	11/10/2022	\$7.88	150672	E 04 500 505 000 321 401	KC, CE, SR Supplies
001		CC	1	08347	WALMART	11/10/2022	\$79.64	150672	E 04 500 596 000 344 430	KC, CE, SR Supplies
001		CC	1	08347	WALMART	11/10/2022	\$47.92	150693	E 04 500 590 000 321 401	HT Supplies

### Big Lake Public Schools, ISD #727

### Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$7.31	150597	E 01 300 211 000 000 401	PO 31016 HS Counseling Supplies
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$297.12	150617	E 01 300 211 000 000 401	PO 31017/PO 31009 HS Art Supplies
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$32.96	150617	E 01 300 211 000 000 401	PO 31017/PO 31009 HS Art Supplies
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$37.98	150624	E 01 300 211 000 000 401	PO 31015 Paper & Pencils
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$7.58	150624	E 01 300 211 000 000 401	PO 31015 Paper & Pencils
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$33.48	150624	E 01 300 211 000 000 401	PO 31015 Paper & Pencils
001		CC	1 08465	INNOVATIVE OFFICE SOLUTIONS	11/10/2022	\$32.40	150627	E 01 300 211 000 000 401	PO 31003 HS SPED Supplies
001		CC	1 08884	OWL BRAND DISCOVERY KITS	11/10/2022	\$280.92	150632	E 05 100 203 601 302 460	PO 31171 NW Premium Barn Owl Pellet
001		CC	1 08952	HOUGHTON MIFFLIN HARCOURT	11/10/2022	\$521.13	150626	E 05 201 208 602 302 460	PO 31295 System 44 books
001		CC	1 08952	HOUGHTON MIFFLIN HARCOURT	11/10/2022	\$6,085.96	150642	E 05 110 203 601 302 460	PO 30984 Student Workbook
001		CC	1 09217	HORIZON COMMERCIAL POOL SUPPLY	11/10/2022	\$2,730.70	150652	E 01 300 810 000 000 404	HS Pool Supplies
001		CC	1 09728	FEDERATED CO-OPS	11/10/2022	\$1,162.04	150606	E 01 005 810 000 000 440	Fuel
001		CC	1 10338	ADAM'S PEST CONTROL, INC.	11/10/2022	\$156.00	150684	E 01 110 810 000 000 305	Target Pests
001		CC	1 10338	ADAM'S PEST CONTROL, INC.	11/10/2022	\$156.00	150684	E 01 100 810 000 000 305	Target Pests
001		CC	1 10338	ADAM'S PEST CONTROL, INC.	11/10/2022	\$156.00	150684	E 01 201 810 000 000 305	Target Pests
001		CC	1 10338	ADAM'S PEST CONTROL, INC.	11/10/2022	\$41.60	150684	E 01 300 810 000 000 305	Target Pests
001		CC	1 10338	ADAM'S PEST CONTROL, INC.	11/10/2022	\$156.00	150684	E 01 300 810 000 000 305	Target Pests
001		CC	1 10434	MAJESTIC CREATIONS	11/10/2022	\$130.00	150688	E 01 005 010 000 000 401	Service Awards
001		CC	1 10498	PEARSON EDUCATION, INC.	11/10/2022	\$102.50	150589	E 12 110 401 000 740 433	PO 31282 CELF 5 Record form Ages 5-8 yr
001		CC	1 10505	FUN EXPRESS, LLC	11/10/2022	\$339.74	150631	E 01 110 203 909 000 401	PO 31229 Liberty Supplies
001		CC	1 10505	FUN EXPRESS, LLC	11/10/2022	\$99.98	150636	E 01 110 203 909 000 401	PO 31229 Liberty Supplies
001		CC	1 10505	FUN EXPRESS, LLC	11/10/2022	\$61.81	150679	E 04 500 580 000 325 430	PO 31203 CE Supplies
001		CC	1 10575	CONSTANT CONTACT	11/10/2022	\$195.00	150696	E 04 500 505 000 321 305	CE Marketing
001		CC	1 10586	AUSCO DESIGN &MARKETING	11/10/2022	\$280.00	150605	E 11 300 295 118 000 401	7 Big Lake Soccer Full Zips w/numbers
001		CC	1 10586	AUSCO DESIGN &MARKETING	11/10/2022	\$2,409.00	150687	E 01 110 203 902 000 401	Staff shirts
001		CC	1 10586	AUSCO DESIGN &MARKETING	11/10/2022	\$719.00	150695	E 04 500 505 000 321 401	CE Supplies - Staff PBIS shirts
001		CC	1 10658	OZONE, LLC	11/10/2022	\$1,377.15	150725	E 04 500 560 122 321 436	CE Gymnastics
001		CC	1 10658	OZONE, LLC	11/10/2022	\$201.80	150726	E 04 500 560 122 321 436	CE Gymnastics
001		CC	1 10738	KWIK TRIP EXTENDED NETWORK	11/10/2022	\$300.00	150660	E 01 201 208 245 000 401	Hospitality Room, Gas Cards \$30 @
001		CC	1 12018	LIGHTSPEED TECHNOLOGIES	11/10/2022	\$2,554.00	150641	E 05 110 203 000 302 530	PO 31274 Redcat with Flexmike
001		CC	1 12027	GODADDY.COM	11/10/2022	\$30.16	150570	E 01 005 630 000 000 305	Community Education Domain Renewal
001		CC	1 12031	LANGUAGELINE Solutions	11/10/2022	\$15.80	150588	E 01 005 219 000 317 305	Interpreter
001		CC	1 12031	LANGUAGELINE Solutions	11/10/2022	\$23.70	150683	E 01 005 219 000 317 305	Interpreter
001		CC	1 12129	SIPTRUNK, INC	11/10/2022	\$70.02	150702	E 01 005 630 000 000 320	cust # 413424888 Backup Phones

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1	12304	SAM'S CLUB	11/10/2022	\$74.72	150727	E 01 300 298 918 000 490	Supplies for FACS and Java Hive
001		CC	1	12304	SAM'S CLUB	11/10/2022	\$168.23	150727	E 01 300 331 000 830 433	Supplies for FACS and Java Hive
001		CC	1	12418	USPS	11/10/2022	\$10.85	150685	E 01 005 010 000 000 329	Priority Mail
001		CC	1	12455	EASY KEYS	11/10/2022	\$44.35	150659	E 01 300 211 000 000 401	Filing cabinet keys - General supplies
001		CC	1	12469	BIG INK	11/10/2022	\$658.00	150639	E 01 100 203 312 000 401	PO 31176 Street Pole Banner/Room Sign F
001		CC	1	12469	BIG INK	11/10/2022	\$82.00	150639	E 04 500 570 000 321 401	PO 31176 Street Pole Banner/Room Sign F
001		CC	1	12469	BIG INK	11/10/2022	\$125.00	150639	E 01 100 203 312 000 401	PO 31176 Street Pole Banner/Room Sign F
001		CC	1	12469	BIG INK	11/10/2022	\$26.15	150639	E 01 100 203 312 000 401	PO 31176 Street Pole Banner/Room Sign F
001		CC	1	12469	BIG INK	11/10/2022	\$26.14	150639	E 04 500 570 000 321 401	PO 31176 Street Pole Banner/Room Sign F
001		CC	1	12528	RAYMOND GEDDES & COMPANY, INC.	11/10/2022	\$112.88	150592	E 01 100 203 290 000 401	PBIS incentive rewards
001		CC	1	12528	RAYMOND GEDDES & COMPANY, INC.	11/10/2022	\$49.17	150594	E 01 100 203 290 000 401	PBIS incentive rewards
001		CC	1	12574	SMART CARE EQUIPMENT SOLUTIONS	11/10/2022	\$367.26	150614	E 01 110 810 354 000 350	Steamer B&G Repair
001		CC	1	12598	WEVIDEO	11/10/2022	\$15.31	150724	E 11 201 290 000 000 401	Activities - Set up for announcements/yeart
001		CC	1	12612	RAPTOR TECHNOLOGIES	11/10/2022	\$4,250.00	150654	E 01 005 715 000 342 319	Raptor Link API Suite/Raptor Visitor Manag
001		CC	1	12612	RAPTOR TECHNOLOGIES	11/10/2022	\$440.00	150718	E 01 005 718 000 342 401	Raptor Visitor Badges
001		CC	1	12801	PRINTED SOLID	11/10/2022	\$3,594.00	150616	E 05 005 630 000 795 556	3D Printers for MS INVOICE PS-185641
001		CC	1	12808	EDPUZZLE	11/10/2022	\$12.50	150637	E 01 201 270 000 000 430	Monthly Billing Browen Social
001		CC	1	12808	EDPUZZLE	11/10/2022	\$12.50	150640	E 01 201 270 000 000 430	Monthly Billing Social Studies Pintok
001		CC	1	12871	ZOOM US	11/10/2022	\$16.09	150657	E 01 005 630 000 000 401	School Board Meetings
001		CC	1	12887	HEGGERTY LITERACY	11/10/2022	\$97.00	150630	E 05 110 203 000 302 460	PO 31273 Primary Curriculum 2022
001		CC	1	12887	HEGGERTY LITERACY	11/10/2022	\$92.99	150664	E 05 110 203 000 302 530	PO 31273 Primary Curriculum 2022
001		CC	1	12891	WILSON LANGUAGE TRAINING	11/10/2022	\$9,534.00	150653	E 01 005 640 000 316 305	PO 30935 Liberty & Independence training
001		CC	1	12891	WILSON LANGUAGE TRAINING	11/10/2022	\$7,750.00	150653	E 01 005 640 000 316 305	PO 30935 Liberty & Independence training
001		CC	1	12891	WILSON LANGUAGE TRAINING	11/10/2022	\$28,150.42	150670	E 05 100 203 602 302 460	PO 30959 Indy Literacy Supplies
001		CC	1	12986	SCAN AIR FILTER	11/10/2022	\$2,502.30	150665	E 01 300 810 000 000 401	PO 31248 Filters
001		CC	1	12986	SCAN AIR FILTER	11/10/2022	\$1,330.38	150694	E 01 110 810 000 000 401	Liberty Filters PO 31249
001		CC	1	13024	MSHSL.ORG	11/10/2022	\$63.58	150721	E 11 300 292 000 000 401	Athletics Supplies
001		CC	1	13125	QUICK RESULTS, LLC	11/10/2022	\$623.00	150645	E 01 005 720 000 170 303	Covid Testing
001		CC	1	13125	QUICK RESULTS, LLC	11/10/2022	(\$623.00)	150645	E 01 005 720 000 170 303	Covid Testing
001		CC	1	13125	QUICK RESULTS, LLC	11/10/2022	\$623.00	150645	E 01 005 720 000 000 305	Covid Testing
001		CC	1	13166	LRS OF MINNESOTA, LLC	11/10/2022	\$1,012.91	150575	E 01 300 810 000 000 333	Waste Services October 2022
001		CC	1	13166	LRS OF MINNESOTA, LLC	11/10/2022	\$692.94	150575	E 01 201 810 000 000 333	Waste Services October 2022
001		CC	1	13166	LRS OF MINNESOTA, LLC	11/10/2022	\$790.80	150575	E 01 100 810 000 000 333	Waste Services October 2022
001		CC	1	13166	LRS OF MINNESOTA, LLC	11/10/2022	\$862.41	150575	E 01 110 810 000 000 333	Waste Services October 2022

20

# Big Lake Public Schools, ISD #727

## Payment Reg by Check-No Voids

Payment Date Range: 11/01/2022 - 11/30/2022

Bank	Check No	Ty	Grp	Code	Vendor	Pay/Void Date	Amount	Voucher #	Account Code	Description
001		CC	1	13166	LRS OF MINNESOTA, LLC	11/10/2022	\$131.68	150575	E 01 005 810 000 000 333	Waste Services October 2022
001		CC	1	13185	PATRIOT NEWS MN	11/10/2022	\$355.00	150584	E 06 300 870 000 000 305	Oct 8/15, Legal Advertisement for Bids-HS
001		CC	1	13185	PATRIOT NEWS MN	11/10/2022	\$142.50	150656	E 01 005 010 000 000 305	Oct 1 Legal week 1
001		CC	1	13185	PATRIOT NEWS MN	11/10/2022	\$315.00	150722	E 06 100 870 000 000 305	Bond Project ID #22D100.01E
001		CC	1	13308	INDEED	11/10/2022	\$282.39	150706	E 01 005 105 000 000 305	September 2022 Sponsored Jobs on Indee
001		CC	1	13360	ADOBE STOCK	11/10/2022	\$29.99	150582	E 04 500 505 000 321 305	CE Mktg
001		CC	1	13361	ADOBE CREATIVE CLOUD	11/10/2022	\$29.99	150580	E 01 005 107 000 000 305	District Mktg
001		CC	1	13361	ADOBE CREATIVE CLOUD	11/10/2022	\$2,641.43	150698	E 05 005 630 000 795 406	CREATIVE CLOUD INV 2275257562
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$392.26	150602	E 11 300 292 000 000 335	Portable Toilets
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$471.24	150602	E 04 500 505 000 321 335	Portable Toilets
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$359.75	150607	E 11 300 292 000 000 335	Portable Toilets for Athletics and CE
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$406.25	150607	E 04 500 505 000 321 335	Portable Toilets for Athletics and CE
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$140.50	150620	E 11 300 294 116 000 897	Portable Toilet Rental
001		CC	1	13369	WRUCK SEWER PORTABLE RENTAL, L	11/10/2022	\$140.50	150620	E 11 300 296 116 000 897	Portable Toilet Rental
001		CC	1	13391	APEC ACQUISTIONS, INC.	11/10/2022	\$15,323.00	150676	E 15 300 865 000 380 520	PO 31217 CHILL PRO-PROPYLENE GLYC
001		CC	1	13407	LEARNING RESOURCES INC	11/10/2022	\$67.14	150625	E 12 110 412 000 740 433	PO 31257 Liberty Supplies
001		CC	1	13420	OAKI	11/10/2022	\$220.00	150671	E 04 500 596 000 344 401	SR Supplies
001		CC	1	13420	OAKI	11/10/2022	\$55.00	150673	E 04 500 596 000 344 401	Sr Supplies
001		CC	1	13450	ELDRIDGE PUBLISHING CO	11/10/2022	\$411.85	150583	E 11 300 291 136 000 305	Icarus Royalty License (Ryan Purdy)
001		CC	1	13451	PIER B RESORT	11/10/2022	\$228.29	150586	E 01 300 790 000 699 366	Program Sharing Conference
001		CC	1	13451	PIER B RESORT	11/10/2022	\$228.29	150595	E 01 300 790 000 699 366	Program Sharing Conference (Nicole Seafc
001		CC	1	13452	LOVING GUIDANCE LLC	11/10/2022	\$77.00	150587	E 04 500 580 000 325 430	Parent Ed Books
001		CC	1	13453	GRANDMA'S SALOON	11/10/2022	\$19.08	150596	E 01 300 790 000 699 366	Program Sharing Conference (Nicole Seafc
001		CC	1	13455	GRANDSTAY ST CLOUD	11/10/2022	\$335.62	150666	E 04 500 505 000 321 366	MCEA Conference - Lodging
001		CC	1	13457	MYSTERY SCIENCE	11/10/2022	\$1,599.00	150717	E 01 005 630 000 000 406	Indy Ed-Tech Software
001		CC	1	13458	RAISING CANES	11/10/2022	\$113.33	150719	E 11 300 291 915 000 490	MSHSL Leadership Event
001		CC	1	13459	BULK BOOKSTORE	11/10/2022	\$153.75	150728	E 05 201 220 602 302 460	PO 30940 The Breadwinner (CTBOOK Hol
001		CC	1	13460	ACHIEVE 3000	11/10/2022	\$5,320.00	150611	E 05 201 220 602 302 406	Achieve 3000 Literacy
001		CC	1	13460	ACHIEVE 3000	11/10/2022	\$290.00	150611	E 05 201 220 602 302 406	Achieve 3000 Literacy
001		CC	1	13460	ACHIEVE 3000	11/10/2022	\$1,790.00	150611	E 01 005 640 000 316 305	Achieve 3000 Literacy
001		CC	1	7760	PIONEER ATHLETICS	11/10/2022	\$100.00	150680	E 01 005 810 000 000 401	Fastlane Pavement Paint Black

Check Total: \$157,773.93

Bank 001 Total: 21

Report Total:

<b>Employee (Last, First Name)</b>	<b>Position</b>	<b>Building</b>	<b>Effective Date</b>	<b>Action Type</b>
Aydt, Charles	Gymnastics Coach	Community Ed	11/01/2022	Resignation
Ganfield, Bruce	Custodian	High School	11/28/2022	Retirement
Kolbinger, Theresa	Paraeducator	Liberty	11/10/2022	Resignation
Lepe, Maria	Paraeducator	Middle School	11/09/2022	New Hire
Newville, Charley	School Monitor	Independence	11/30/2022	Resignation
Larsen, Kyle	Teacher	High School	11/15/2022	Resignation
Gosewisch, Sarah	Paraeducator/School Readiness	Liberty	11/28/2022	Transfer



## **DEVELOPMENT, ADOPTION, AND IMPLEMENTATION OF POLICIES**

### **I. PURPOSE**

The purpose of this policy is to emphasize the importance of the policy-making role of the school board and provide the means for it to continue to be an ongoing effort.

### **II. GENERAL STATEMENT OF POLICY**

Formal guidelines are necessary to ensure the school community that the school system responds to its mission and operates in an effective, efficient, and consistent manner. A set of written policy statements shall be maintained and modified as needed. Policies should define the desire and intent of the school board and should be in a form that is sufficiently explicit to guide administrative action.

### **III. DEVELOPMENT OF POLICY**

- A. The school board has jurisdiction to legislate policy with the force and effect of law for the school district. School district policy provides the school board's general direction for the school district while delegating policy implementation to the administration.
- B. The school district's policies provide guidelines and goals to the school community. The policies are the basis for guidelines and directives created by the administration. The school board shall determine the effectiveness of the policies by evaluating periodic reports from the administration.
- C. Policies may be proposed by a school board member, employee, student, or resident of the school district. Proposed policies or ideas shall be submitted to the superintendent for review prior to possible placement on the school board agenda.

### **IV. ADOPTION AND REVIEW OF POLICY**

- A. The school board shall give notice of proposed policy changes or adoption of new policies by placing the item on the agenda of two school board meetings. The proposals shall be distributed and public comment will be allowed at both meetings.
- B. The final action taken to adopt the proposed policy shall be approved by a simple majority vote of the school board at a meeting after the two meetings at which public input was received. The policy will be effective on the latter of the date of passage or the date stated in the motion.
- C. In an emergency, a new or modified policy may be adopted by a majority vote of a quorum of the school board in a single meeting. A statement regarding the emergency and the need for immediate adoption of the policy shall be included in the minutes. The policy adopted in an emergency shall expire within one year following the emergency action unless the policy adoption procedure stated above is followed and the policy is reaffirmed. The school board shall have discretion to determine what constitutes an emergency.
- D. If a policy is modified with minor changes that do not affect the substance of the policy or because of a legal change over which the school board has no control, the modified policy may be approved at one meeting at the discretion of the school board.

### **V. IMPLEMENTATION OF AND ACCESS TO POLICY**

- A. The superintendent shall be responsible for implementing school board policies, other than the policies that cover how the school board will operate. The superintendent shall develop administrative guidelines and directives to provide greater specificity and consistency in

the process of implementation. These guidelines and directives, including employee and student handbooks, shall be subject to annual review and approval by the school board.

- B. Each school board member shall have access to school district policies. A copy of the school district policies shall be available online and in the district office and shall be available for reference purposes to other interested persons.
- C. The superintendent, employees designated by the superintendent, and individual school board members shall be responsible for keeping the policy current.
- D. The school board shall review policies at least once every three years. The superintendent shall be responsible for developing a system of periodic review, addressing approximately one third of the policies annually. In addition, the school board shall review the following policies annually: 506 Student Discipline; 722 Public Data Requests; and 806 Crisis Management Policy.
- E. When no school board policy exists to provide guidance on a matter, the superintendent is authorized to act appropriately under the circumstances keeping in mind the mission, educational philosophy and financial condition of the school district. Under such circumstances, the superintendent shall advise the school board of the need for a policy and present a recommended policy to the school board for approval.

**Legal References:** Minn. Stat. § 123B.02, Subd. 1 (School District Powers)  
Minn. Stat. § 123B.09, Subd. 1 (School Board Powers)

**Cross References:** MSBA/MASA Model Policy 305 (Policy Implementation)



## CODE OF ETHICS

### I. PURPOSE

The purpose of this policy is to assist the individual school board member in understanding his or her role as part of a school board and in recognizing the contribution that each member must make to develop an effective and responsible school board.

### II. GENERAL STATEMENT OF POLICY

Each school board member shall follow the code of ethics stated in this policy.

#### A. AS A MEMBER OF THE SCHOOL BOARD, I WILL:

1. Attend school board meetings.
2. Come to the meetings prepared for discussion of the agenda items.
3. Listen to the opinions and views of others (including, but not limited to, other school board members, administration, staff, students, and community members).
4. Vote my conscience after informed discussion, unless I abstain because a conflict of interest exists.
5. Support the decision of the school board, even if my position concerning the issue was different.
6. Recognize the integrity of my predecessors and associates and appreciate their work.
7. Be primarily motivated by a desire to provide the best possible education for the students of my school district.
8. Inform myself about the proper duties and functions of a school board member.

#### B. IN PERFORMING THE PROPER FUNCTIONS OF A SCHOOL BOARD MEMBER, I WILL:

1. Focus on education policy as much as possible.
2. Remember my responsibility is to set policy – not to implement policy.
3. Consider myself a trustee of public education and do my best to protect, conserve, and advance its progress.
4. Recognize that my responsibility, exercised through the actions of the school board as a whole, is to see that the schools are properly run – not to run them myself.
5. Work through the superintendent – not over or around the superintendent.
6. Delegate the implementation of school board decisions to the superintendent.

#### C. TO MAINTAIN RELATIONS WITH OTHER MEMBERS OF THE SCHOOL BOARD, I WILL:

1. Respect the rights of others to have and express opinions.
2. Recognize that authority rests with the school board in legal session – not with the individual members of the school board except as authorized by law.
3. Make no disparaging remarks, in or out of school board meetings, about other members of the school board or their opinions.
4. Keep an open mind about how I will vote on any proposition until the board has met and fully discussed the issue.
5. Make decisions by voting in school board meetings after all sides of debatable questions have been presented.
6. Insist that committees be appointed to serve only in an advisory capacity to the school board.

- D. IN MEETING MY RESPONSIBILITIES TO MY COMMUNITY, I WILL:
1. Attempt to appraise and plan for both the present and future educational needs of the school district and community.
  2. Attempt to obtain adequate financial support for the school district's programs.
  3. Insist that business transactions of the school district be ethical and open.
  4. Strive to uphold my responsibilities and accountability to the taxpayers in my school district.
- E. IN WORKING WITH THE SUPERINTENDENT OF SCHOOLS AND STAFF, I WILL:
1. Hold the superintendent responsible for the administration of the school district.
  2. Give the superintendent authority commensurate with his or her responsibilities.
  3. Assure that the school district will be administered by the best professional personnel available.
  4. Consider the recommendation of the superintendent in hiring all employees.
  5. Participate in school board action after considering the recommendation of the superintendent and only after the superintendent has furnished adequate information supporting the recommendation.
  6. Insist the superintendent keep the school board adequately informed at all times.
  7. Offer the superintendent counsel and advice.
  8. Recognize the status of the superintendent as the chief executive officer and a non-voting, ex officio member of the school board.
  9. Refer all complaints to the proper administrative officer or insist that they be presented in writing to the whole school board for proper referral according to the chain of command.
  10. Present any personal criticisms of employees to the superintendent.
  11. Provide support for the superintendent and employees of the school district so they may perform their proper functions on a professional level.
- F. IN FULFILLING MY LEGAL OBLIGATIONS AS A SCHOOL BOARD MEMBER, I WILL:
1. Comply with all federal, state, and local laws relating to my work as a school board member.
  2. Comply with all school district policies as adopted by the school board.
  3. Abide by all rules and regulations as promulgated by the Minnesota Department of Education and other state and federal agencies with jurisdiction over school districts.
  4. Recognize that school district business may be legally transacted only in an open meeting of the school board.
  5. Avoid conflicts of interest and refrain from using my school board position for personal gain.
  6. Take no private action that will compromise the school board or administration.
  7. Guard the confidentiality of information that is protected under applicable law.

**Legal References:** Minn. Stat. § 123B.02, Subd. 1 (General Powers of Independent School Districts)  
Minn. Stat. § 123B.09 (Boards of Independent School Districts)  
Minn. Stat. § 123B.143, Subd. 1 (Superintendent)

**Cross References:** None



## **CONFLICT OF INTEREST – SCHOOL BOARD MEMBERS**

### **I. PURPOSE**

The purpose of this policy is to observe state statutes regarding conflicts of interest and to engage in school district business activities in a fashion designed to avoid any conflict of interest or the appearance of impropriety.

### **II. GENERAL STATEMENT OF POLICY**

It is the policy of the school board to contract for goods and services in conformance with statutory conflict of interest laws and in a manner that will avoid any conflict of interest or the appearance thereof. Accordingly, the school board will contract under the statutory exception provisions only when it is clearly in the best interest of the school district because of limitations that may exist on goods or services otherwise available to the school district.

### **III. GENERAL PROHIBITIONS AND RECOGNIZED STATUTORY EXCEPTIONS**

- A. A school board member who is authorized to take part in any manner in making any sale, lease, or contract in his or her official capacity shall not voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.
- B. In the following circumstances, however, the school board may as an exception, by unanimous vote, contract for goods or services with a school board member of the school district:
  1. In the designation of a bank or savings association, in which a school board member is interested, as an authorized depository for school district funds and as a source of borrowing, provided such deposited funds are protected in accordance with Minnesota Statute chapter 118A. Any school board member having said interest shall disclose that interest and the interest shall be entered upon the school board minutes. Disclosure shall be made when such bank or savings association is first designated as a depository or source of borrowing, or when such school board member is elected, whichever is later. Disclosure serves as notice of the interest and need only be made once;
  2. The designation of an official newspaper, or publication of official matters therein, in which the school board member is interested when it is the only newspaper complying with statutory requirements relating to the designation or publication;
  3. A contract with a cooperative association of which the school board member is a shareholder or stockholder but not an officer or manager;
  4. A contract for which competitive bids are not required by law. A contract made under this exception will be void unless the following procedures are observed:
    - a. The school board shall authorize the contract in advance of its performance by adopting a resolution setting out the essential facts and determining that the contract price is as low as or lower than the price at which the goods or services could be obtained elsewhere.
    - b. In the case of an emergency when the contract cannot be authorized in advance, payment of the claims must be authorized by a like resolution wherein the facts of the emergency are also stated.
    - c. Before a claim is paid, the interested school board member shall file with the clerk of the school board an affidavit stating:
      - 1) The name of the school board member and the office held;
      - 2) An itemization of the goods or services furnished;

- 3) The contract price;
  - 4) The reasonable value;
  - 5) The interest of the school board member in the contract; and
  - 6) That to the best of the school board member's knowledge and belief, the contract price is as low as, or lower than, the price at which the goods or services could be obtained from other sources.
5. A school board member may rent space in a public facility at a rate commensurate with that paid by other members of the public.
- C. In the following circumstances, the school board may as an exception, by majority vote at a meeting at which all school board members are present, contract for services with a school board member of the school district: A school board member may be newly employed or may continue to be employed by the school district as an employee only if there is a reasonable expectation on July 1, or at the time the contract is entered into or extended, that the amount to be earned by that school board member under that contract or employment relationship, will not exceed \$20,000 in that fiscal year. If the school board member does not receive majority approval to be initially employed or to continue in employment at a meeting at which all school board members are present, that employment is immediately terminated and that school board member has no further rights to employment while serving as a school board member in the school district.
- D. The school board may contract with a class of school district employees, such as teachers or custodians, when the spouse of a school board member is a member of the class of employees contracting with the school board and the employee spouse receives no special monetary or other benefit that is substantially different from the benefits that other members of the class receive under the employment contract. For the school board to invoke this exception, it must have a majority of disinterested school board members vote to approve the contract, direct the school board member spouse to abstain from voting to approve the contract, and publicly set out the essential facts of the contract at the meeting in which the contract is approved.

**IV. LIMITATIONS ON RELATED EMPLOYEES**

- A. The school board must hire or dismiss teachers only at duly called meetings. When a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher may be made or authorized except upon the unanimous vote of the full school board.
- B. The school board may not employ any teacher related by blood or marriage to a school board member, within the fourth degree as computed by the civil law, except by a unanimous vote of the full school board.

**V. CONFLICTS PRIOR TO TAKING OFFICE**

A school board member with personal financial interest in a sale, lease, or contract with the school district which was entered before the school board member took office and presents an actual or potential conflict of interest, shall immediately notify the school board of such interest. It shall thereafter be the responsibility of the school board member to refrain from participating in any action relating to the sale, lease, or contract. At the time of renewal of any such sale, lease, or contract, the school board may enter into or renew such sale, lease, or contract only if it falls within one of the enumerated exceptions for contracts relating to goods or services provided above and if the procedures provided in this policy are followed.

**VI. DETERMINATION AS TO WHETHER A CONFLICT OF INTEREST EXISTS**

The determination as to whether a conflict of interest exists is to be made by the school board. Any school board member who has an actual or potential conflict shall notify the school board of

such conflict immediately. The school board member shall thereafter cooperate with the school board as necessary for the school board to make its determination.

***Legal References:*** Minn. Stat. § 122A.40, Subd. 3 (Employment; Contracts; Termination)  
Minn. Stat. § 123B.195 (Board Member's Right to Employment)  
Minn. Stat. § 471.87 (Public Officers Interest in Contract; Penalty)  
Minn. Stat. § 471.88, Subds. 2, 3, 4, 5, 12, 13, and 21 (Exceptions)  
Minn. Stat. § 471.89 (Contract, When Void)  
Op. Atty. Gen. 437-A-4, March 15, 1935  
Op. Atty. Gen. 90-C-5, July 30, 1940  
Op. Atty. Gen. 90-A, August 14, 1957

***Cross References:*** MSBA/MASA Model Policy 201 (Legal Status of the School Board)  
MSBA/MASA Model Policy 209 (Code of Ethics)



## **EMPLOYEE PUBLICATIONS, INSTRUCTIONAL MATERIALS, INVENTIONS, AND CREATIONS**

### **I. PURPOSE**

The purpose of this policy is to identify and reserve the proprietary rights of the school district to certain publications, instructional materials, inventions, and creations which employees may develop or create, or assist in developing or creating, while employed by the school district.

### **II. GENERAL STATEMENT OF POLICY**

Unless the employee develops, creates or assists in developing or creating a publication, instructional material, computer program, invention or creation entirely on the employee's own time and without the use of any school district facilities or equipment, the employee shall immediately disclose and, on demand of the school district, assign any rights to publications, instructional materials, computer programs, materials posted on websites, inventions or creations which the employee develops or creates or assists in developing or creating during the term of employee's employment and for two (2) years thereafter. In addition, employees shall sign such documents and perform such other acts as may be necessary to secure the rights of the school district relating to such publications, instructional materials, computer programs, materials posted on websites, inventions and/or creations, including domestic and foreign patents and copyrights.

### **III. NOTICE OF POLICY**

The school district shall give employees notice of this policy by such means as are reasonably likely to inform them of this policy.

***Legal References:*** Minn. Stat. § 181.78 (Agreements; Terms Relating to Inventions)  
17 U.S.C. § 101 *et seq.* (Copyrights)

***Cross References:*** None



## DRUG AND ALCOHOL TESTING

### I. PURPOSE

- A. The school board recognizes the significant problems created by drug and alcohol use in society in general, and the public schools in particular. The school board further recognizes the important contribution that the public schools have in shaping the youth of today into the adults of tomorrow.
- B. The school board believes that a work environment free of drug and alcohol use will be not only safer, healthier, and more productive but also more conducive to effective learning. To provide such an environment, the purpose of this policy is to provide authority so that the school board may require all employees and/or job applicants to submit to drug and alcohol testing in accordance with the provisions of this policy and as provided in federal law and Minnesota Statutes, sections 181.950-181.957

### II. GENERAL STATEMENT OF POLICY

- A. All school district employees and job applicants whose positions require a commercial driver's license will be required to undergo drug and alcohol testing in accordance with federal law and the applicable provisions of this policy. The school district also may request or require that drivers submit to drug and alcohol testing in accordance with the provisions of this policy and as provided in Minnesota Statutes, sections 181.950-181.957.
- B. The school district may request or require that any school district employee or job applicant, other than an employee or applicant whose position requires a commercial driver's license, submit to drug and alcohol testing in accordance with the provisions of this policy and as provided in Minnesota Statutes, sections 181.950-181.957.
- C. The use, possession, sale, purchase, transfer, or dispensing of any drugs not medically prescribed, including medical cannabis, whether or not it has been prescribed for the employee, is prohibited on school district property (which includes school district vehicles), while operating school district vehicles or equipment, and at any school-sponsored program or event. Use of drugs that are not medically prescribed, including medical cannabis, whether or not it has been prescribed for the employee, is also prohibited throughout the school or work day, including lunch or other breaks, whether or not the employee is on or off school district property. Employees under the influence of drugs that are not medically prescribed are prohibited from entering or remaining on school district property.
- D. The use, possession, sale, purchase, transfer, or dispensing of alcohol is prohibited on school district property (which includes school district vehicles), while operating school district vehicles or equipment, and at any school-sponsored program or event. Use of alcohol is also prohibited throughout the school or work day, including lunch or other breaks, whether or not the employee is on or off school district property. Employees under the influence of alcohol are prohibited from entering or remaining on school district property.
- E. Any employee who violates this section shall be subject to discipline that includes, but is not limited to, immediate suspension without pay and immediate discharge.

### III. FEDERALLY MANDATED DRUG AND ALCOHOL TESTING FOR SCHOOL BUS DRIVERS

#### A. General Statement of Policy

All persons subject to commercial driver's license requirements shall be tested for alcohol, marijuana (including medical cannabis), cocaine, amphetamines, opiates (including heroin), and phencyclidine (PCP), pursuant to federal law. Drivers who test positive for alcohol or drugs shall be subject to disciplinary action, which may include termination of employment

#### B. Definitions

1. "Actual Knowledge" means actual knowledge by the school district that a driver has used alcohol or controlled substances based on: (a) direct observation of the employee's use (not observation of behavior sufficient to warrant reasonable suspicion testing); (b) information provided by a previous employer; (c) a traffic citation; or (d) an employee's admission, except when made in connection with a qualified employee self-admission program.
2. "Alcohol Screening Device" (ASD) means a breath or saliva device, other than an Evidential Breath Testing Device (EBT), that is approved by the National Highway Traffic Safety Administration and placed on its Conforming Products List for such devices.
3. "Breath Alcohol Technician" (BAT) means an individual who instructs and assists individuals in the alcohol testing process and who operates the EBT.
4. "Commercial Motor Vehicle" (CMV) includes a vehicle that is designed to transport 16 or more passengers, including the driver.
5. "Designated Employer Representative" (DER) means an employee authorized by the school district to take immediate action to remove employees from safety-sensitive duties, or cause employees to be removed from these covered duties, and to make required decisions in the testing and evaluation process. The DER receives test results and other communications for the school district.
6. "Department of Transportation" (DOT) means United States Department of Transportation.
7. "Direct Observation" means observation of alcohol or controlled substances use and does not include observation of employee behavior or physical characteristics sufficient to warrant reasonable suspicion testing.
8. "Driver" is any person who operates a CMV, including full-time, regularly employed drivers, casual, intermittent, or occasional drivers, leased drivers, and independent owner-operator contractors.
9. "Evidential Breath Testing Device" (EBT) means a device approved by the National Highway Traffic Safety Administration for the evidentiary testing of breath for alcohol concentration and placed on its Conforming Products List for such devices.
10. "Licensed Medical Practitioner" means a person who is licensed, certified, and/or registered, in accordance with applicable Federal, State, local, or foreign laws and regulations, to prescribe controlled substances and other drugs.
11. "Medical Review Officer" (MRO) means a licensed physician responsible for receiving and reviewing laboratory results generated by the school district's drug testing program and for evaluating medical explanations for certain drug tests.
12. "Refusal to Submit" (to an alcohol or controlled substances test) means that a driver: (a) fails to appear for any test within a reasonable time, as determined by the school district, consistent with applicable DOT regulations, after being directed to do so; (b) fails to remain at the testing site until the testing process is complete; (c) fails to provide a urine specimen or an adequate amount of saliva or breath for any DOT drug or alcohol test; (d) fails to permit the observation or monitoring of the driver's

provision of a specimen in the case of a directly observed or monitored collection in a drug test; (e) fails to provide a sufficient breath specimen or sufficient amount of urine when directed and a determination has been made that no adequate medical explanation for the failure exists; (f) fails or declines to take an additional test as directed by the school district or the collector; (g) fails to undergo a medical examination or evaluation, as directed by the MRO or the DER; (h) fails to cooperate with any part of the testing process (e.g., refuses to empty pockets when so directed by the collector, behaves in a confrontational way that disrupts the collection process, fails to wash hands after being directed to do so by the collector, fails to sign the certification on the forms); (i) fails to follow the observer's instructions, in an observed collection, to raise the driver's clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if the driver has any type of prosthetic or other device that could be used to interfere with the collection process; (j) possesses or wears a prosthetic or other device that could be used to interfere with the collection process; (k) admits to the collector or MRO that the driver adulterated or substituted the specimen; or (l) is reported by the MRO as having a verified adulterated or substituted test result. An applicant who fails to appear for a pre-employment test, who leaves the testing site before the pre-employment testing process commences, or who does not provide a urine specimen because he or she has left before it commences is not deemed to have refused to submit to testing

13. "Safety-Sensitive Functions" are on-duty functions from the time the driver begins work or is required to be in readiness to work until relieved from work and all responsibility for performing work, and include such functions as driving, loading and unloading vehicles, or supervising or assisting in the loading or unloading of vehicles, servicing, repairing, obtaining assistance to repair, or remaining in attendance during the repair of a disabled vehicle.
14. "Screening Test Technician" (STT) means anyone who instructs and assists individuals in the alcohol testing process and operates an ASD.
15. "Stand Down" means the practice of temporarily removing an employee from performing safety-sensitive functions based only upon a laboratory report to the MRO of a confirmed positive test for a drug or drug metabolite, an adulterated test, or a substituted test before the MRO completes the verification process.
16. "Substance Abuse Professional" (SAP) means a qualified person who evaluates employees who have violated a DOT drug and alcohol regulation and makes recommendations concerning education, treatment, follow-up testing, and aftercare.

#### C. Policy and Educational Materials

1. The school district shall provide a copy of this policy and procedures to each driver prior to the start of its alcohol and drug testing program and to each driver subsequently hired or transferred into a position requiring driving of a CMV.
2. The school district shall provide to each driver information required under Title 49 of the Code of Federal Regulations, including information concerning the effects of alcohol and controlled substances use on an individual's health, work, and personal life; signs and symptoms of an alcohol or controlled substance problem (the driver's or a coworker's); and available methods of intervening when an alcohol or controlled substance problem is suspected, including confrontation, referral to an employee assistance program, and/or referral to management.
3. The school district shall provide written notice to representatives of employee organizations that the information described above is available.
4. The school district shall require each driver to sign a statement certifying that the driver received a copy of the policy and materials. This statement should be in the

form of Attachment A to this policy. The school district will maintain the original signed certificate and will provide a copy to the driver if the driver so requests.

D. Alcohol and Controlled Substances Testing Program Manager

1. The program manager will coordinate the implementation, direction, and administration of the alcohol and controlled substances testing policy for bus drivers. The program manager is the principal contact for the collection site, the testing laboratory, the MRO, the BAT, the SAP, and the person submitting to the test. Employee questions concerning this policy shall be directed to the program manager.
2. The school district shall designate a program manager and provide written notice of the designation to each driver along with this policy.

E. Specific Prohibitions for Drivers

1. Alcohol Concentration. No driver shall report for duty or remain on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater. Drivers who test greater than 0.04 will be taken out of service and will be subject to evaluation by a professional and retesting at the driver's expense.
2. Alcohol Possession. No driver shall be on duty or operate a CMV while the driver possesses alcohol.
3. On-Duty Use. No driver shall use alcohol while performing safety-sensitive functions.
4. Pre-Duty Use. No driver shall perform safety-sensitive functions within four (4) hours after using alcohol.
5. Use Following an Accident. No driver required to take a post-accident test shall use alcohol for eight (8) hours following the accident, or until the driver undergoes a post-accident alcohol test, whichever occurs first.
6. Refusal to Submit to a Required Test. No driver shall refuse to submit to an alcohol or controlled substances test required by post-accident, random, reasonable suspicion, return-to-duty, or follow-up testing requirements. A verified adulterated or substituted drug test shall be considered a refusal to test.
7. Use of Controlled Substances. No driver shall report for duty or remain on duty requiring the performance of safety-sensitive functions when the driver uses any controlled substance, except when the use is pursuant to instructions (which have been presented to the school district) from a licensed medical practitioner who is familiar with the driver's medical history and has advised the driver that the substance does not adversely affect the driver's ability to safely operate a CMV. Controlled substance includes medical cannabis, regardless of whether the driver is enrolled in the state registry program.
8. Positive, Adulterated, or Substituted Test for Controlled Substance. No driver shall report for duty, remain on duty, or perform a safety-sensitive function if the driver tests positive for controlled substances, including medical cannabis, or has adulterated or substituted a test specimen for controlled substances.
9. General Prohibition. Drivers are also subject to the general policies and procedures of the school district that prohibit possession, transfer, sale, exchange, reporting to work under the influence of drugs or alcohol, and consumption of drugs or alcohol while at work or while on school district premises or operating any school district vehicle, machinery, or equipment.

F. Other Alcohol-Related Conduct

No driver found to have an alcohol concentration of 0.02 or greater but less than 0.04 shall perform safety-sensitive functions for at least twenty-four (24) hours following administration of the test. The school district will not take any action under this policy other than removal from safety-sensitive functions based solely on test results showing

an alcohol concentration of less than 0.04 but may take action otherwise consistent with law and the policies of the school district.

#### G. Prescription Drugs/Cannabinoid Products

A driver shall inform the driver's supervisor if at any time the driver is using a controlled substance pursuant to a physician's prescription. The physician's instructions shall be presented to the school district upon request. Use of a prescription drug shall be allowed if the physician has advised the driver that the prescribed drug will not adversely affect the driver's ability to safely operate a CMV. Use of medical cannabis is prohibited notwithstanding the driver's enrollment in the patient registry. Use of nonintoxicating cannabinoids or edible cannabinoid products is not a legitimate medical explanation for a confirmed positive test result for marijuana. MROs will verify a drug test confirmed as positive, even if a driver claims to have only used nonintoxicating cannabinoids or edible cannabinoid product.

#### H. Testing Requirements

##### 1. Pre-Employment Testing

- a. A driver applicant shall undergo testing for [alcohol and] controlled substances, including medical cannabis, before the first time the driver performs safety-sensitive functions for the school district.
- b. Tests shall be conducted only after the applicant has received a conditional offer of employment
- c. To be hired, the applicant must test negative and must sign an agreement in the form of Attachment B to this policy, authorizing former employers to release to the school district all information on the applicant's alcohol tests with results of blood alcohol concentration of 0.04 or higher, or verified positive results for controlled substances, including medical cannabis, or refusals to be tested (including verified adulterated or substituted drug test results), or any other violations of DOT agency drug and alcohol testing regulations, or, if the applicant violated the testing regulations, documentation of the applicant's successful completion of DOT return-to-duty requirements (including follow-up tests), within the preceding two (2) years
- d. The applicant also must be asked whether he or she has tested positive, or refused to test, on any pre-employment drug or alcohol test administered by an employer to which the employee, during the last two (2) years, applied for, but did not obtain, safety-sensitive transportation work covered by DOT testing rules.
- e. Before employing a driver subject to controlled substances and alcohol testing, the school district must conduct a full pre-employment query of the federal Commercial Driver's License (CDL) Drug and Alcohol Clearinghouse ("Clearinghouse") to obtain information about whether the driver (1) has a verified positive, adulterated, or substituted controlled substances test result; (2) has an alcohol confirmation test with a concentration of 0.04 or higher; (3) has refused to submit to a test in violation of federal law; or (4) that an employer has reported actual knowledge that the driver used alcohol on duty, before duty, or following an accident in violation of federal law or used a controlled substance in violation of federal law. The applicant must give specific written or electronic consent for the school district to conduct the Clearinghouse full query. The school district shall retain the consent for three (3) years from the date of the query.

##### 2. Post-Accident Testing

- a. As soon as practicable following an accident involving a CMV, the school district shall test the driver for alcohol and controlled substances, including medical cannabis, if the accident involved the loss of human life or if the

- driver receives a citation for a moving traffic violation arising from an accident which results in bodily injury or disabling damage to a motor vehicle.
- b. Drivers should be tested for alcohol use within two (2) hours and no later than eight (8) hours after the accident.
  - c. Drivers should be tested for controlled substances, including medical cannabis, no later than thirty-two (32) hours after the accident.
  - d. A driver subject to post-accident testing must remain available for testing, or shall be considered to have refused to submit to the test.
  - e. If a post-accident alcohol test is not administered within two (2) hours following the accident, the school district shall prepare and maintain on file a record stating the reasons the test was not promptly administered and continue to attempt to administer the alcohol test within eight (8) hours.
  - f. If a post-accident alcohol test is not administered within eight (8) hours following the accident or a post-accident controlled substances test is not administered within thirty-two (32) hours following the accident, the school district shall cease attempts to administer the test, and prepare and maintain on file a record stating the reasons for not administering the test.
  - g. The school district shall report drug and alcohol program violations to the Clearinghouse as required under federal law.
3. Random Testing
- a. The school district shall conduct tests on a random basis at unannounced times throughout the year, as required by the federal regulations.
  - b. The school district shall test for alcohol at a minimum annual percentage rate of 10% of the average number of driver positions, and for controlled substances, including medical cannabis, at a minimum annual percentage of 50%.
  - c. The school district shall adopt a scientifically valid method for selecting drivers for testing, such as random number table or a computer-based random number generator that is matched with identifying numbers of the drivers. Each driver shall have an equal chance of being tested each time selections are made. Each driver selected for testing shall be tested during the selection period.
  - d. Random tests shall be unannounced. Dates for administering random tests shall be spread reasonably throughout the calendar year.
  - e. Drivers shall proceed immediately to the collection site upon notification of selection; provided, however, that if the driver is performing a safety-sensitive function, other than driving, at the time of notification, the driver shall cease to perform the function and proceed to the collection site as soon as possible
4. Reasonable Suspicion Testing
- a. The school district shall require a driver to submit to an alcohol test and/or controlled substances, including medical cannabis, test when a supervisor or school district official, who has been trained in accordance with the regulations, has reasonable suspicion to believe that the driver has used alcohol and/or controlled substances, including medical cannabis, on duty, within four (4) hours before coming on duty, or just after the period of the work day. The test shall be done as soon as practicable following the observation of the behavior indicative of the use of controlled substances or alcohol.
  - b. The reasonable suspicion determination must be based on specific, contemporaneous, articulable observations concerning the driver's appearance, behavior, speech, or body odors. The required observations for

reasonable suspicion of a controlled substances violation may include indications of the chronic and withdrawal effects of controlled substances.

- c. Alcohol testing shall be administered within two (2) hours following a determination of reasonable suspicion. If it is not done within two (2) hours, the school district shall prepare and maintain a record explaining why it was not promptly administered and continue to attempt to administer the alcohol test within eight (8) hours. If an alcohol test is not administered within eight (8) hours following the determination of reasonable suspicion, the school district shall cease attempts to administer the test and state in the record the reasons for not administering the test.
  - d. The supervisor or school district official who makes observations leading to a controlled substances reasonable suspicion test shall make and sign a written record of the observations within twenty-four (24) hours of the observed behavior or before the results of the drug test are released, whichever is earlier.
5. Return-To-Duty Testing

A driver found to have violated this policy shall not return to work until an SAP has determined the employee has successfully complied with prescribed education and/or treatment and until undergoing return-to-duty tests indicating an alcohol concentration of less than 0.02 and a confirmed negative result for the use of controlled substances. The school district is not required to return a driver to safety-sensitive duties because the driver has met these conditions; this is a personnel decision subject to collective bargaining agreements or other legal requirements

6. Follow-Up Testing

When an SAP has determined that a driver is in need of assistance in resolving problems with alcohol and/or controlled substances, the driver shall be subject to unannounced follow-up testing as directed by the SAP for up to sixty (60) months after completing a treatment program.

7. Refusal to Submit and Attendant Consequences

- a. A driver or driver applicant may refuse to submit to drug and alcohol testing.
- b. Refusal to submit to a required drug or alcohol test subjects the driver or driver applicant to the consequences specified in federal regulations as well as the civil and/or criminal penalty provisions of 49 United States Code section 521(b). In addition, a refusal to submit to testing establishes a presumption that the driver or driver applicant would test positive if a test were conducted and makes the driver or driver applicant subject to discipline or disqualification under this policy.
- c. A driver applicant who refuses to submit to testing shall be disqualified from further consideration for the conditionally offered position.
- d. An employee who refuses to submit to testing shall not be permitted to perform safety-sensitive functions and will be considered insubordinate and subject to disciplinary action, up to and including dismissal. If an employee is offered an opportunity to return to a DOT safety-sensitive duty, the employee will be evaluated by an SAP and must submit to a return-to-duty test prior to being considered for reassignment to safety-sensitive functions.
- e. Drivers or driver applicants who refuse to submit to required testing will be required to sign Attachment C to this policy.

I. Testing Procedures

1. Drug Testing

- a. Drug testing is conducted by analyzing a donor's urine specimen. Split urine samples will be collected in accordance with federal regulations. The donor will provide a urine sample at a designated collection site. The collection site

personnel will then pour the sample into two sample bottles, labeled “primary” and “split,” seal the specimen bottles, complete the chain of custody form, and prepare the specimen bottles for shipment to the testing laboratory for analysis. The specimen preparation shall be conducted in sight of the donor.

- b. If the donor is unable to provide the appropriate quantity of urine, the collection site person shall instruct the individual to drink up to forty (40) ounces of fluid distributed reasonably through a period of up to three (3) hours to attempt to provide a sample. If the individual is still unable to provide a complete sample, the test shall be discontinued and the school district notified. The DER shall refer the donor for a medical evaluation to determine if the donor’s inability to provide a specimen is genuine or constitutes a refusal to test. For pre-employment testing, the school district may elect to not have a referral made, and revoke the employment offer.
- c. Drug test results are reported directly to the MRO by the testing laboratory. The MRO reports the results to the DER. If the results are negative, the school district is informed and no further action is necessary. If the test result is confirmed positive, adulterated, substituted, or invalid, the MRO shall give the donor an opportunity to discuss the test result. The MRO will contact the donor directly, on a confidential basis, to determine whether the donor wishes to discuss the test result. The MRO shall notify each donor that the donor has seventy-two (72) hours from the time of notification in which to request a test of the split specimen at the donor’s expense. No split specimen testing is done for an invalid result.
- d. If the donor requests an analysis of the split specimen within seventy-two (72) hours of having been informed of a confirmed positive test, the MRO shall direct, in writing, the laboratory to provide the split specimen to another Department of Health and Human Services – SAMHSA certified laboratory for analysis. If the donor has not contacted the MRO within seventy-two (72) hours, the donor may present the MRO information documenting that serious illness, injury, inability to contact the MRO, lack of actual notice of the confirmed positive test, or other circumstances unavoidably prevented the donor from timely making contact. If the MRO concludes that a legitimate explanation for the donor’s failure to contact him/her within seventy-two (72) hours exists, the MRO shall direct the analysis of the split specimen. The MRO will review the confirmed positive test result to determine whether an acceptable medical reason for the positive result exists. The MRO shall confirm and report a positive test result to the DER and the employee when no legitimate medical reason for a positive test result as received from the testing laboratory exists.
- e. If, after making reasonable efforts and documenting those efforts, the MRO is unable to reach the donor directly, the MRO must contact the DER who will direct the donor to contact the MRO. If the DER is unable to contact the donor, the donor will be suspended from performing safety-sensitive functions.
- f. The MRO may confirm the test as a positive without having communicated directly with the donor about the test results under the following circumstances:
  - 1) The donor expressly declines the opportunity to discuss the test results;
  - 2) The donor has not contacted the MRO within seventy-two (72) hours of being instructed to do so by the DER; or

- 3) The MRO and the DER, after making and documenting all reasonable efforts, have not been able to contact the donor within ten (10) days of the date the confirmed test result was received from the laboratory.

## 2. Alcohol Testing

- a. The federal alcohol testing regulations require testing to be administered by a BAT using an EBT or an STT using an ASD. EBTs and ASDs can be used for screening tests but only EBTs can be used for confirmation tests.
- b. Any test result less than 0.02 alcohol concentration is considered a “negative” test.
- c. If the donor is unable to provide sufficient saliva for an ASD, the DER will immediately arrange to use an EBT. If the donor attempts and fails to provide an adequate amount of breath, the school district will direct the donor to obtain a written evaluation from a licensed physician to determine if the donor’s inability to provide a breath sample is genuine or constitutes a refusal to test
- d. If the screening test results show alcohol concentration of 0.02 or higher, a confirmatory test conducted on an EBT will be required to be performed between fifteen (15) and thirty (30) minutes after the completion of the screening test
- e. Alcohol tests are reported directly to the DER

## J. Driver/Driver Applicant Rights

1. All drivers and driver applicants subject to the controlled substances testing provisions of this policy who receive a confirmed positive test result for the use of controlled substances have the right to request, at the driver’s or driver applicant’s expense, a confirming retest of the split urine sample. If the confirming retest is negative, no adverse action will be taken against the driver, and a driver applicant will be considered for employment.
2. The school district will not discharge a driver who, for the first time, receives a confirmed positive drug or alcohol test UNLESS:
  - a. The school district has first given the employee an opportunity to participate in, at the employee’s own expense or pursuant to coverage under an employee benefit plan, either a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by the school district after consultation with the SAP; and
  - b. The employee refuses to participate in the recommended program, or fails to successfully complete the program as evidenced by withdrawal before its completion or by a positive test result on a confirmatory test after completion of the program.
  - c. This limitation on employee discharge does not bar discharge of an employee for reasons independent of the first confirmed positive test result.

## K. Testing Laboratory

The testing laboratory for controlled substances will be a laboratory certified by the Department of Health and Human Services – SAMHSA to perform controlled substances testing pursuant to federal regulations.

## L. Confidentiality of Test Results

All alcohol and controlled substances test results and required records of the drug and alcohol testing program are considered confidential information under federal law and private data on individuals as that phrase is defined in Minnesota Statutes, Chapter 13. Any information concerning the individual’s test results and records shall not be released without written permission of the individual, except as provided for by regulation or law.

## M. Recordkeeping Requirements and Retention of Records

1. The school district shall keep and maintain records in accordance with the federal regulations in a secure location with controlled access.
2. The required records shall be retained for the following minimum periods:
  - Basic Records--5 years. "Basic records" includes records of: (a) alcohol test results with concentration of 0.02 or greater; (b) verified positive drug test results; (c) refusals to submit to required tests (including substituted or adulterated drug test results); (d) SAP reports; (e) all follow-up tests and schedules for follow-up tests; (f) calibration documentation; (g) administration of the testing programs; and (h) each annual calendar year summary.
  - Information obtained from previous employers—3 years; Alcohol and controlled substance collection procedures; Negative and cancelled controlled substance tests—1 year; Alcohol tests with less than 0.02 concentration—1 year; Education and training records—indefinite
  - "Education and training records" must be maintained while the individuals perform the functions which require training and for the two (2) years after ceasing to perform those functions.

3. Personal Information

Personal information about all individuals who undergo any required testing under this policy will be shared with the U.S. DOT Drug & Alcohol Clearinghouse ("Clearinghouse") as required under federal law, including:

- a. The name of the person tested;
- b. Any verified positive, adulterated, or substituted drug test result;
- c. Any alcohol confirmation test with a BAC concentration of 0.04 or higher;
- d. Any refusal to submit to any test required hereunder;
- e. Any report by a supervisor of actual knowledge of use as follows:
  - 1) Any on-duty alcohol use;
  - 2) Any pre-duty alcohol use;
  - 3) Any alcohol use following an accident; and
  - 4) Any controlled substance use
- f. Any report from a substance abuse professional certifying successful completion of the return to work process;
- g. Any negative return to duty test; and
- h. Any employer's report of completion of follow-up testing

N. Training

The school district shall ensure all persons designated to supervise drivers receive training. The designated employees shall receive at least sixty (60) minutes of training on alcohol misuse and at least sixty (60) minutes of training on controlled substances use. The training shall include physical, behavioral, speech, and performance indicators of probable misuse of alcohol and use of controlled substances. The training will be used by the supervisors to make determinations of reasonable suspicion.

O. Consequences of Prohibited Conduct and Enforcement

1. Removal. The school district shall remove a driver who has engaged in prohibited conduct from safety-sensitive functions. A driver shall not be permitted to return to safety-sensitive functions until and unless the return-to-duty requirements of federal DOT regulations have been completed.
2. Referral, Evaluation, and Treatment
  - a. A driver or driver applicant who has engaged in prohibited conduct shall be provided a listing of SAPs readily available to the driver or applicant and acceptable to the school district
  - b. If the school district offers a driver an opportunity to return to a DOT safety-sensitive duty following a violation, the driver must be evaluated by an SAP

and the driver is required to successfully comply with the SAP's evaluation recommendations (education, treatment, follow-up evaluation(s), and/or ongoing services). The school district is not required to provide an SAP evaluation or any subsequent recommended education or treatment

- c. Drivers are responsible for payment for SAP evaluations and services unless a collective bargaining agreement or employee benefit plan provides otherwise.
  - d. Drivers who engage in prohibited conduct also are required to comply with follow-up testing requirements
3. Disciplinary Action
- a. Any driver who refuses to submit to post-accident, random, reasonable suspicion, or follow-up testing not only shall not perform or continue to perform safety-sensitive functions, but also may be subject to disciplinary action, which may include immediate suspension without pay and/or immediate discharge.
  - b. Drivers who test positive with verification of a confirmatory test or are otherwise found to be in violation of this policy or the federal regulations shall be subject to disciplinary action, which may include immediate suspension without pay and/or immediate discharge
  - c. Nothing in this policy limits or restricts the right of the school district to discipline or discharge a driver for conduct which not only constitutes prohibited conduct under this policy but also violates the school district's other rules or policies

P. Other Testing

The school district may request or require that drivers submit to drug and alcohol testing other than that required by federal law. For example, drivers may be requested or required to undergo drug and alcohol testing on an annual basis as part of a routine physical examination. Such additional testing of drivers will be conducted only in accordance with the provisions of this policy and as provided in Minnesota Statutes, sections 181.950-181.957. For purposes of such additional, non-mandatory testing, drivers fall within the definition of "other employees" covered by Section IV. of this policy

Q. Report to Clearinghouse

The school district shall promptly submit to the Clearinghouse any record generated of an individual who refuses to take an alcohol or controlled substance test required under Title 49, Code of Federal Regulations, tests positive for alcohol or a controlled substance in violation of federal regulations, or violates subpart B of Part 382 of Title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

R. Annual Clearinghouse Query

- 1. The school district must conduct a query of the Clearinghouse record at least once per year for information for all employees subject to controlled substance and alcohol testing related to CMV operation to determine whether information exists in the Clearinghouse about those employees. In lieu of a full query, the school district may obtain the individual driver's consent to conduct a limited query to satisfy the annual query requirement. The limited query will tell the employer whether there is information about the driver in the Clearinghouse but will not release that information to the employer. If the limited query shows that information exists in the Clearinghouse about the driver, the school district must conduct a full query within twenty-four (24) hours or must not allow the driver to continue to perform any safety-sensitive function until the employee conducts the full query and the results confirm the driver's Clearinghouse record contains no prohibitions showing the driver has a verified positive, adulterated or substitute controlled substance test, no alcohol confirmation test with a concentration of 0.04 or higher, refuses to submit to

a test, or was reported to have used alcohol on duty, before duty, following an accident or otherwise used a controlled substance in violation of the regulations except where the driver completed the SAP evaluation, referral and education/treatment process as required by the regulations. The school district shall comply with the query requirements set forth in 49 Code of Federal Regulations 382.701

2. The school district may not access an individual's Clearinghouse record unless the school district (1) obtains the individual's prior written or electronic consent for access to the record; and (2) submits proof of the individual's consent to the Clearinghouse. The school district must retain the consent for three (3) years from the date of the last query. The school district shall retain for three (3) years a record of each request for records from the Clearinghouse and the information received pursuant to the request.
3. The school district shall protect the individual's privacy and confidentiality of each Clearinghouse record it receives. The school district shall ensure that information contained in a Clearinghouse record is not divulged to a person or entity not directly involved in assessing and evaluating whether a prohibition applies with respect to the individual to operate a CMV for the school district.
4. The school district may use an individual's Clearinghouse record only to assess and evaluate whether a prohibition applies with respect to the individual to operate a CMV for the school district.

#### **IV. DRUG AND ALCOHOL TESTING FOR EMPLOYEES**

The school district may request or require drug and alcohol testing for school district personnel, i.e., employees who are not school bus drivers, or job applicants for such positions. The school district does not have a legal duty to request or require any employee or job applicant to undergo drug and alcohol testing as authorized in this policy, except for school bus drivers and other drivers of CMVs who are subject to federally mandated testing (See Section III. of this policy.) If the school bus driver is requested or required to submit to drug or alcohol testing beyond that mandated by federal law, the provisions of Section IV. Of this policy will be applicable to such testing.

##### **A. Circumstances Under Which Drug or Alcohol Testing May Be Requested or Required:**

###### **1. General Limitations**

- a. The school district will not request or require an employee or job applicant whose position does not require a commercial driver's license to undergo drug or alcohol testing, unless the testing is done pursuant to this drug and alcohol testing policy; and is conducted by a testing laboratory that meets one of the criteria listed in Minnesota Statutes 181.953, subdivision 1.
- b. The school district will not request or require an employee or job applicant whose position does not require a commercial driver's license to undergo drug and alcohol testing on an arbitrary and capricious basis.

###### **2. Job Applicant Testing**

The school district may request or require any job applicant whose position does not require a commercial driver's license to undergo drug and alcohol testing, provided a job offer has been made to the applicant and the same test is requested or required of all job applicants conditionally offered employment for that position. If a job applicant has received a job offer that is contingent on the applicant's passing drug and alcohol testing, the school

district may not withdraw the offer based on a positive test result from an initial screening test that has not been verified by a confirmatory test. In the event the job offer is subsequently withdrawn, the school district shall notify the job applicant of the reason for its action.

3. Random Testing

The school district may request or require employees to undergo drug and alcohol testing on a random selection basis only if they are employed in safety-sensitive positions.

4. Reasonable Suspicion Testing

The school district may request or require any employee to undergo drug and alcohol testing if the school district has a reasonable suspicion that the employee:

- a. is under the influence of drugs or alcohol;
- b. has violated the school district's written work rules prohibiting the use, possession, sale, or transfer of drugs or alcohol while the employee is working or while the employee is on the school district's premises or operating the school district's vehicles, machinery, or equipment;
- c. has sustained a personal injury, as that term is defined in Minnesota Statutes, section 176.011, subdivision. 16, or has caused another employee to sustain a personal injury; or
- d. has caused a work-related accident or was operating or helping to operate machinery, equipment, or vehicles involved in a work-related accident.

5. Treatment Program Testing

The school district may request or require any employee to undergo drug and alcohol testing if the employee has been referred by the school district for chemical dependency treatment or evaluation or is participating in a chemical dependency treatment program under an employee benefit plan, in which case the employee may be requested or required to undergo drug and alcohol testing without prior notice during the evaluation or treatment period and for a period of up to two (2) years following completion of any prescribed chemical dependency treatment program.

6. Routine Physical Examination Testing

The school district may request or require any employee to undergo drug and alcohol testing as part of a routine physical examination provided the drug or alcohol test is requested or required no more than once annually and the employee has been given at least two weeks' written notice that a drug or alcohol test may be requested or required as part of the physical examination.

B. No Legal Duty to Test

The school district does not have a legal duty to request or require any employee or job applicant whose position does not require a commercial driver's license to undergo drug and alcohol testing.

C. Definitions

1. "Drug" means a controlled substance as defined in Minnesota Statutes, including medical cannabis, regardless of enrollment in the state registry program.
2. "Drug and Alcohol Testing," "Drug or Alcohol Testing," and "Drug or Alcohol Test" mean analysis of a body component sample by a testing laboratory that meets one of the criteria listed in Minnesota Statutes, section 181.953, subdivision 1, for the purpose of measuring the presence or absence of drugs, alcohol, or their metabolites in the sample tested.

3. "Other Employees" means any persons, independent contractors, or persons working for an independent contractor who perform services for the school district for compensation, either full time or part time, in whatever form, except for persons whose positions require a commercial driver's license, and includes both professional and nonprofessional personnel. Persons whose positions require a commercial driver's license are primarily governed by the provisions of the school district's drug and alcohol testing policy relating to school bus drivers (Section III.). To the extent that the drug and alcohol testing of persons whose positions require a commercial driver's license is not mandated by federal law and regulations, such testing shall be governed by Section IV. of this policy and the drivers shall fall within this definition of "other employees."
  4. "Job Applicant" means a person, independent contractor, or person working for an independent contractor who applies to become an employee of the school district in a position that does not require a commercial driver's license, and includes a person who has received a job offer made contingent on the person's passing drug or alcohol testing. Job applicants for positions requiring a commercial driver's license are governed by the provisions of the school district's drug and alcohol testing policy relating to school bus drivers (Section III.).
  5. "Positive Test Result" means a finding of the presence of drugs, alcohol, or their metabolites in the sample tested in levels at or above the threshold detection levels contained in the standards of one of the programs listed in Minnesota Statutes, section 181.953, subdivision. 1.
  6. "Random Selection Basis" means a mechanism for selection of employees that:
    - a. results in an equal probability that any employee from a group of employees subject to the selection mechanism will be selected; and
    - b. does not give the school district discretion to waive the selection of any employee selected under the mechanism.
  7. "Reasonable Suspicion" means a basis for forming a belief based on specific facts and rational inferences drawn from those facts.
  8. "Safety-Sensitive Position" means a job, including any supervisory or management position, in which an impairment caused by drug or alcohol usage would threaten the health or safety of any person.
- D. Right of Other Employee or Job Applicant to Refuse Drug and Alcohol Testing and Consequences of Such Refusal
1. Right of Employee or Job Applicant to Refuse Drug and Alcohol Testing  
Any employee or job applicant whose position does not require a commercial driver's license has the right to refuse drug and alcohol testing subject to the provisions contained in Paragraphs 2. and 3. of Section IV. D.
  2. Consequences of an Employee's Refusal to Undergo Drug and Alcohol Testing  
Any employee in a position that does not require a commercial driver's license who refuses to undergo drug and alcohol testing in the circumstances set out in the Random Testing, Reasonable Suspicion Testing, and Treatment Program Testing provisions of this policy may be subject to disciplinary action, up to and including immediate discharge.
  3. Consequences of a Job Applicant's Refusal to Undergo Drug and Alcohol Testing  
Any job applicant for a position which does not require a commercial driver's license who refuses to undergo drug and alcohol testing pursuant to the Job Applicant Testing provision of this policy shall not be employed.

E. Reliability and Fairness Safeguards

1. Pretest Notice

Before requesting an employee or job applicant whose position does not require a commercial driver's license to undergo drug or alcohol testing, the school district shall provide the employee or job applicant with a Pretest Notice in the form of Attachment D to this policy on which to acknowledge that the employee or job applicant has received the school district's drug and alcohol testing policy.

2. Notice of Test Results

Within three (3) working days after receipt of a test result report from the testing laboratory, the school district shall inform in writing an employee or job applicant who has undergone drug or alcohol testing of a negative test result on an initial screening test or of a negative or positive test result on a confirmatory test.

3. Notice of and Right to Test Result Report

Within three (3) working days after receipt of a test result report from the testing laboratory, the school district shall inform in writing, an employee or job applicant who has undergone drug or alcohol testing of the employee or job applicant's right to request and receive from the school district a copy of the test result report on any drug or alcohol test.

4. Notice of and Right to Explain Positive Test Result

a. If an employee or job applicant has a positive test result on a confirmatory test, the school district shall provide the individual with notice of the test results and, at the same time, written notice of the right to explain the results and to submit additional information.

b. The school district may request that the employee or job applicant indicate any over-the-counter or prescription medication that the individual is currently taking or has recently taken and any other information relevant to the reliability of, or explanation for, a positive test result.

c. The employee may present verification of enrollment in the medical cannabis patient registry as part of the employee's explanation.

d. Use of nonintoxicating cannabinoids or edible cannabinoid products is not a legitimate medical explanation for a confirmed positive test result for marijuana. MROs will verify a drug test confirmed as positive, even if an employee claims to have only used nonintoxicating cannabinoids or edible cannabinoid product

e. Within three (3) working days after notice of a positive test result on a confirmatory test, an employee or job applicant may submit information (in addition to any information already submitted) to the school district to explain that result.

5. Notice of and Right to Request Confirmatory Retests

a. If an employee or job applicant has a positive test result on a confirmatory test, the school district shall provide the individual with notice of the test results and, at the same time, written notice of the right to request a confirmatory retest of the original sample at his or her expense.

b. An employee or job applicant may request a confirmatory retest of the original sample at his or her own expense after notice of a positive test result on a confirmatory test. Within five (5) working days after notice of the confirmatory test result, the employee or job applicant shall notify the school district in writing of his or her intention to obtain a

confirmatory retest. Within three (3) working days after receipt of the notice, the school district shall notify the original testing laboratory that the employee or job applicant has requested the laboratory to conduct the confirmatory retest or to transfer the sample to another laboratory licensed under Minnesota Statutes, section 181.953, subdivision 1 to conduct the confirmatory retest. The original testing laboratory shall ensure that appropriate chain-of-custody procedures are followed during transfer of the sample to the other laboratory. The confirmatory retest must use the same drug or alcohol threshold detection levels as used in the original confirmatory test. If the confirmatory retest does not confirm the original positive test result, no adverse personnel action based on the original confirmatory test may be taken against the employee or job applicant.

6. If an employee or job applicant has a positive test result on a confirmatory test, the school district, at the time of providing notice of the test results, shall also provide written notice to inform the individual of other rights provided under Sections F. or G., below, whichever is applicable. Attachments E and F to this policy provide the Notices described in Paragraphs 2. through 6. of this Section E.

F. Discharge and Discipline of Employees Whose Positions Do Not Require a Commercial Driver's License

1. The school district may not discharge, discipline, discriminate against, request, or require rehabilitation of an employee on the basis of a positive test result from an initial screening test that has not been verified by a confirmatory test.
2. In the case of a positive test result on a confirmatory test, the employee shall be subject to discipline which includes, but is not limited to, immediate suspension without pay and immediate discharge, pursuant to the provisions of this policy.
3. The school district may not discharge an employee for whom a positive test result on a confirmatory test was the first such result for the employee on a drug or alcohol test requested by the school district, unless the following conditions have been met:
  - a. The school district has first given the employee an opportunity to participate in, at the employee's own expense or pursuant to coverage under an employee benefit plan, either a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by the school district after consultation with a certified chemical abuse counselor or a physician trained in the diagnosis and treatment of chemical dependency; and
  - b. The employee has either refused to participate in the counseling or rehabilitation program or has failed to successfully complete the program, as evidenced by withdrawal from the program before its completion or by a positive test result on a confirmatory test after completion of the program.
4. Notwithstanding Paragraph 1., the school district may temporarily suspend the tested employee or transfer that employee to another position at the same rate of pay pending the outcome of the confirmatory test and, if requested, the confirmatory retest, provided the school district believes that it is reasonably necessary to protect the health or safety of the employee, co-employees or the public. An employee who has been suspended without pay must be reinstated with back pay if the outcome of the confirmatory test or

requested confirmatory retest is negative.

5. The school district may not discharge, discipline, discriminate against, request, or require rehabilitation of an employee on the basis of medical history information or the employee's status as a patient enrolled in the medical cannabis registry program revealed to the school district, unless the employee was under an affirmative duty to provide the information before, upon, or after hire, or failing to do so would violate federal law or regulations or cause the school district to lose money or licensing-related benefit under federal law or regulations.
6. The school district may not discriminate against any employee in termination, discharge, or any term of condition of employment or otherwise penalize an employee based upon an employee registered patient's positive drug test for cannabis components or metabolites, unless the employee used, possessed, or was impaired by medical cannabis on school district property during the hours of employment.
7. An employee must be given access to information in the individual's personnel file relating to positive test result reports and other information acquired in the drug and alcohol testing process and conclusions drawn from and actions taken based on the reports or other acquired information.

G. Withdrawal of Job Offer for an Applicant for a Position that Does Not Require a Commercial Driver's License

If a job applicant has received a job offer made contingent on the applicant's passing drug and alcohol testing, the school district may not withdraw the offer based on a positive test result from an initial screening test that has not been verified by a confirmatory test. In the case of a positive test result on a confirmatory test, the school district may withdraw the job offer.

H. Chain-of-Custody Procedures

The school district has established its own reliable chain-of-custody procedures to ensure proper record keeping, handling, labeling, and identification of the samples to be tested. The procedures require the following:

1. Possession of a sample must be traceable to the employee from whom the sample is collected, from the time the sample is collected through the time the sample is delivered to the laboratory;
2. The sample must always be in the possession of, must always be in view of, or must be placed in a secure area by a person authorized to handle the sample;
3. A sample must be accompanied by a written chain-of-custody record; and
4. Individuals relinquishing or accepting possession of the sample must record the time the possession of the sample was transferred and must sign and date the chain-of-custody record at the time of transfer.

I. Privacy, Confidentiality and Privilege Safeguards

1. Privacy Limitations

A laboratory may only disclose to the school district test result data regarding the presence or absence of drugs, alcohol or their metabolites in a sample tested.

2. Confidentiality Limitations

With respect to employees and job applicants, test result reports and other information acquired in the drug or alcohol testing process are private data on individuals as that phrase is defined in Minnesota Statutes Chapter 13, and may not be disclosed by the school district or laboratory to another employer or to a third-party individual, governmental agency, or private organization without the written consent of the employee or job applicant tested.

3. Exceptions to Privacy and Confidentiality Disclosure Limitations  
Notwithstanding Paragraphs 1. and 2., evidence of a positive test result on a confirmatory test may be: (1) used in an arbitration proceeding pursuant to a collective bargaining agreement, an administrative hearing under Minnesota Statutes Chapter 43A or other applicable state or local law, or a judicial proceeding, provided that information is relevant to the hearing or proceeding; (2) disclosed to any federal agency or other unit of the United States government as required under federal law, regulation or order, or in accordance with compliance requirements of a federal government contract; and (3) disclosed to a substance abuse treatment facility for the purpose of evaluation or treatment of the employee.
4. Privilege  
Positive test results from the school district drug or alcohol testing program may not be used as evidence in a criminal action against the employee or job applicant tested.

J. Notice of Testing Policy to Affected Employees

The school district shall provide written notice of this drug and alcohol testing policy to all affected employees upon adoption of the policy, to a previously non-affected employee upon transfer to an affected position under the policy, and to a job applicant upon hire and before any testing of the applicant if the job offer is made contingent on the applicant's passing drug and alcohol testing. Affected employees and applicants will acknowledge receipt of this written notice in the form of Attachment G to this policy.

V. **POSTING**

The school district shall post notice in an appropriate and conspicuous location on its premises that it has adopted a drug and alcohol testing policy and that copies of the policy are available for inspection during regular business hours by its employees or job applicants in its personnel office or other suitable locations.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)

Minn. Stat. Ch. 43A (State Personnel Management)

Minn. Stat. § 151.72 (Sale of Certain Cannabinoid Products)

Minn. Stat. § 152.01 (Definitions)

Minn. Stat. § 152.22 (Definitions; Medical Cannabis)

Minn. Stat. § 152.23 (Limitations; Medical Cannabis)

Minn. Stat. § 152.32 (Protections for Registry Program Participation)

Minn. Stat. § 176.011, subd. 16 (Definitions; Personal Injury)

Minn. Stat. §§ 181.950-181.957 (Drug and Alcohol Testing in the Workplace)

Minn. Stat. § 221.031 (Motor Carrier Rules)

49 U.S.C. § 31306 (Omnibus Transportation Employee Testing Act of 1991)

49 U.S.C. 31306a (National Clearinghouse for Controlled Substance and Alcohol Test Results of Commercial Motor Vehicle Operators)

49 U.S.C. § 521(b) (Civil and Criminal Penalties for Violations)

49 C.F.R. Parts 40 and 382 (Department of Transportation Rules Implementing Omnibus Transportation Employee Testing Act of 1991)

**Cross-References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)

MSBA/MASA Model Policy 406 (Public and Private Personnel Data)

MSBA/MASA Model Policy 417 (Chemical Use and Abuse)

MSBA/MASA Model Policy 418 (Drug-Free Workplace/Drug-Free School)



## **DRUG-FREE WORKPLACE, DRUG-FREE SCHOOL**

### **I. PURPOSE**

The purpose of this policy is to maintain a safe and healthful environment for employees and students by prohibiting the use of alcohol, toxic substances, medical cannabis, nonintoxicating cannabinoids (including edible cannabinoid products), and controlled substances without a physician's prescription.

### **II. GENERAL STATEMENT OF POLICY**

- A. Use or possession of alcohol, toxic substances, medical cannabis, nonintoxicating cannabinoids (including edible cannabinoid products), and controlled substances before, during, or after school hours, at school or in any other school location, is prohibited as general policy. Paraphernalia associated with controlled substances is prohibited.
- B. A violation of this policy occurs when any student, teacher, administrator, other school district personnel, or member of the public uses or possesses alcohol, toxic substances, medical cannabis, nonintoxicating cannabinoids (including edible cannabinoid products), or controlled substances in any school location
- C. The school district will act to enforce this policy and to discipline or take appropriate action against any student, teacher, administrator, school personnel, or member of the public who violates this policy

### **III. DEFINITIONS**

- A. "Alcohol" includes any alcoholic beverage containing more than one-half of one percent alcohol by volume.
- B. "Controlled substances" include narcotic drugs, hallucinogenic drugs, amphetamines, barbiturates, marijuana, anabolic steroids, or any other controlled substance as defined in Schedules I through V of the Controlled Substances Act, 21 United States Code section 812, including analogues and look-alike drugs.
- C. "Edible cannabinoid product" means any product that is intended to be eaten or consumed as a beverage by humans, contains a cannabinoid in combination with food ingredients, and is not a drug.
- D. "Nonintoxicating cannabinoid" means substances extracted from certified hemp plants that do not produce intoxicating effects when consumed by any route of administration.
- E. "Medical cannabis" means any species of the genus cannabis plant, or any mixture or preparation of them, including whole plant extracts and resins, and is delivered in the form of: (1) liquid, including, but not limited to, oil; (2) pill; (3) vaporized delivery method with use of liquid or oil but which does not require the use of dried leaves or plant form; (4) combustion with use of dried raw cannabis; or (5) any other method approved by the commissioner
- F. "Possess" means to have on one's person, in one's effects, or in an area subject to one's control.

- G. “School location” includes any school building or on any school premises; in any school-owned vehicle or in any other school-approved vehicle used to transport students to and from school or school activities; off school property at any school-sponsored or school-approved activity, event, or function, such as a field trip or athletic event, where students are under the jurisdiction of the school district; or during any period of time such employee is supervising students on behalf of the school district or otherwise engaged in school district business.
- H. “Toxic substances” includes (1) glue, cement, aerosol paint, containing toluene, benzene, xylene, amyl nitrate, butyl nitrate, nitrous oxide, or containing other aromatic hydrocarbon solvents, but does not include glue, cement, or paint contained in a packaged kit for the construction of a model automobile, airplane, or similar item; (2) butane or a butane lighter; or (3) any similar substance declared to be toxic to the central nervous system and to have a potential for abuse, by a rule adopted by the commissioner of health.
- I. “Use” includes to sell, buy, manufacture, distribute, dispense, possess, use, or be under the influence of alcohol toxic substances, medical cannabis, nonintoxicating cannabinoids (including edible cannabinoid products), and/or controlled substances, whether or not for the purpose of receiving remuneration or consideration.

#### **IV. EXCEPTIONS**

- A. A violation of this policy does not occur when a person brings onto a school location, for such person’s own use, a controlled substance, except medical cannabis, which has a currently accepted medical use in treatment in the United States and the person has a physician’s prescription for the substance. The person shall comply with the relevant procedures of this policy.
- B. A violation of this policy does not occur when a person possesses an alcoholic beverage in a school location when the possession is within the exceptions of Minnesota Statutes section 624.701, subdivision 1a (experiments in laboratories pursuant to a temporary license to sell liquor issued under Minnesota laws or possession after the purchase from such a temporary license holder).

#### **V. PROCEDURES**

- A. Students who have a prescription from a physician for medical treatment with a controlled substance, except medical cannabis, must comply with the school district’s student medication policy
- B. Employees who have a prescription from a physician for medical treatment with a controlled substance, except medical cannabis, are permitted to possess such controlled substance and associated necessary paraphernalia, such as an inhaler or syringe. The employee must inform his or her supervisor. The employee may be required to provide a copy of the prescription
- C. Each employee shall be provided with written notice of this Drug-Free Workplace/Drug-Free School policy and shall be required to acknowledge that he or she has received the policy
- D. Employees are subject to the school district’s drug and alcohol testing policies and procedures

- E. Members of the public are not permitted to possess controlled substances in a school location except with the express permission of the superintendent.
- F. No person is permitted to possess or use medical cannabis on a school bus or van; or on the grounds of any preschool or primary or secondary school; or on the grounds of any child care facility. This prohibition includes (1) vaporizing or combusting medical cannabis on any form of public transportation where the vapor or smoke could be inhaled by a minor child or in any public place, including indoor or outdoor areas used by or open to the general public or place of employment; and (2) operating, navigating, or being in actual physical control of any motor vehicle or working on transportation property, equipment or facilities while under the influence of medical cannabis.
- G. Possession of alcohol on school grounds pursuant to the exceptions of Minnesota Statutes section 624.701, subdivision 1a, shall be by permission of the school board only. The applicant shall apply for permission in writing and shall follow the school board procedures for placing an item on the agenda

## VI. ENFORCEMENT

### A. Students

1. Students may be required to participate in programs and activities that provide education against the use of alcohol, tobacco, marijuana, smokeless tobacco products, electronic cigarettes, and nonintoxicating cannabinoids (including edible cannabinoid products),
2. Students may be referred to drug or alcohol assistance or rehabilitation programs; school based mental health services, mentoring and counseling, including early identification of mental health symptoms, drug use and violence and appropriate referral to direct individual or group counselling service. which may be provide by school based mental health services providers; and/or referral to law enforcement officials when appropriate.
3. A student who violates the terms of this policy shall be subject to discipline in accordance with the school district's discipline policy. Such discipline may include suspension or expulsion from school.

### B. Employees

1. As a condition of employment in any federal grant, each employee who is engaged either directly or indirectly in performance of a federal grant shall abide by the terms of this policy and shall notify his or her supervisor in writing of his or her conviction of any criminal drug statute for a violation occurring in any of the places listed above on which work on a school district federal grant is performed, no later than five (5) calendar days after such conviction. Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes.
2. An employee who violates the terms of this policy is subject to disciplinary action, including nonrenewal, suspension, termination, or discharge as deemed appropriate by the school board.
3. In addition, any employee who violates the terms of this policy may be required to satisfactorily participate in a drug and/or alcohol abuse assistance or rehabilitation program approved by the school district.

Any employee who fails to satisfactorily participate in and complete such a program is subject to nonrenewal, suspension, or termination as deemed appropriate by the school board.

4. Sanctions against employees, including nonrenewal, suspension, termination, or discharge shall be pursuant to and in accordance with applicable statutory authority, collective bargaining agreements, and school district policies.

C. The Public

A member of the public who violates this policy shall be informed of the policy and asked to leave. If necessary, law enforcement officials will be notified and asked to provide an escort.

**Legal References:** Minn. Stat. § 121A.22 (Administration of Drugs and Medicine)  
Minn. Stat. § 121A.40-§ 121A.56 (Pupil Fair Dismissal Act)  
Minn. Stat. § 151.72 (Sale of Certain Cannabinoid Products)  
Minn. Stat. § 152.22, subd. 6 (Definitions; Medical Cannabis)  
Minn. Stat. § 152.23 (Limitations; Medical Cannabis)  
Minn. Stat. § 340A.101 (Definitions; Alcoholic Beverage)  
Minn. Stat. § 340A.403 (3.2 Percent Malt Liquor Licenses)  
Minn. Stat. § 340A.404 (Intoxicating Liquor; On-Sale Licenses)  
Minn. Stat. § 609.684 (Abuse of Toxic Substances)  
Minn. Stat. § 624.701 (Alcohol in Certain Buildings or Grounds)  
20 U.S.C. § 7101-7122 (Student Support and Academic Enrichment Grants)  
21 U.S.C. § 812 (Schedules of Controlled Substances)  
41 U.S.C. §§ 8101-8106 (Drug-Free Workplace Act)  
21 C.F.R. §§ 1308.11-1308.15 (Controlled Substances)  
34 C.F.R. Part 84 (Government-Wide Requirements for Drug-Free Workplace)

**Cross References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 416 (Drug and Alcohol Testing)  
MSBA/MASA Model Policy 417 (Chemical Use and Abuse)  
MSBA/MASA Model Policy 419 (Tobacco-Free Environment; Possession and use of Tobacco, Tobacco-Related Devices, and Electronic Delivery Devices; Vaping Awareness and Prevention Instruction)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 516 (Student Medication)



## **GIFTS TO EMPLOYEES AND SCHOOL BOARD MEMBERS**

### **I. PURPOSE**

The purpose of this policy is to avoid the appearance of impropriety or the appearance of a conflict of interest with respect to gifts given to school district employees and school board members.

### **II. GENERAL STATEMENT OF POLICY**

- A. The school district recognizes that students, parents, and others may wish to show appreciation to school district employees. The policy of the school district, however, is to discourage gift-giving to employees and to encourage donors instead to write letters and notes of appreciation or to give small tokens of gratitude as memorabilia.
- B. A violation of this policy occurs when any employee solicits, accepts, or receives, either by direct or indirect means, a gift from a student, parent, or other individual or organization of greater than nominal value.
- C. A violation of this policy occurs when any employee solicits, accepts, or receives a gift from a person or entity doing business with or seeking to do business with the school district. Employees may accept items of insignificant value of a promotional or public relations nature or a plaque with a resale value of \$5 or less with an inscription recognizing an individual for an accomplishment. The superintendent has discretion to determine what value is "insignificant."
- D. Teachers may accept, from publishers, free samples of textbooks and related teaching materials.
- E. This policy applies only to gifts given to employees where the donor's relationship with the employee arises out of the employee's employment with the school district. It does not apply to gifts given to employees by personal friends, family members, other employees, or others unconnected to the employee's employment with the school district.
- F. An elected or appointed member of a school board, a school superintendent, a school principal, or a district school officer, including the school business official, may not accept a gift from an interested person.

### **III. DEFINITIONS**

- A. "Gift" means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment that is given without something of equal or greater value being received in return.
- B. "Interested person" means a person or a representative of a person or association that has a direct financial interest in a decision that a school board member, a superintendent, a school principal, or a district school officer is authorized to make.
- C. "Financial interest" means any ownership or control in an asset which has the potential to produce a monetary return.

#### **IV. PROCEDURES**

Any employee considering the acceptance of a gift shall confer with the administration for guidance related to the interpretation and application of this policy.

#### **V. VIOLATIONS**

Employees who violate the provisions of this policy may be subject to discipline, which may include reprimand, suspension, and/or termination or discharge.

**Legal References:** Minn. Stat. § 10A.07 (Conflicts of Interest)  
Minn. Stat. § 10A.071 (Prohibition of Gifts)  
Minn. Stat. § 15.43 (Acceptance of Advantage by State Employee;  
Penalty)  
Minn. Stat. § 471.895 (Certain Gifts by Interested Persons Prohibited)

**Cross References:** MSBA/MASA Model Policy 209 (Code of Ethics)  
MSBA/MASA Model Policy 210 (Conflict of Interest – School Board  
Members)  
MSBA/MASA Model Policy 306 (Administrator Code of Ethics)

## **WORKLOAD LIMITS FOR CERTAIN SPECIAL EDUCATION TEACHERS**

### **I. PURPOSE**

The purpose of this policy is to establish general parameters for determining the workload limits of special education staff who provide services to children with disabilities receiving direct special education services 60 percent or less of the instructional day.

### **II. DEFINITIONS**

- A. **Special Education Staff; Special Education Teacher**  
“Special education staff” and “special education teacher” both mean a teacher employed by the school district who is licensed under the rules of the Minnesota Professional Educator Licensing and Standards Board to instruct children with specific disabling conditions.
- B. **Direct Services**  
“Direct services” means special education services provided by a special education teacher or a related service professional when the services are related to instruction, including cooperative teaching.
- C. **Indirect Services**  
“Indirect services” means special education services provided by a special education teacher or a related service professional which include ongoing progress reviews; cooperative planning; consultation; demonstration teaching; modification and adaptation of the environment, curriculum, materials, or equipment; and direct contact with the pupil to monitor and observe.
- D. **Workload**  
“Workload” means a special education teacher’s total number of minutes required for all due process responsibilities, including direct and indirect services, evaluation and reevaluation time, management of individualized education programs (IEPs), travel time, parental contact, and other services required in the IEPs.

### **III. GENERAL STATEMENT OF POLICY**

- A. Workload limits for special education teachers shall be determined by the appropriate special education administrator, in consultation with the building principal and the superintendent.
- B. In determining workload limits for special education staff, the school district shall take into consideration the following factors: student contact minutes, evaluation and reevaluation time, indirect services, management of IEPs, travel time, and other services required in the IEPs of eligible students.

### **IV. COLLECTIVE BARGAINING AGREEMENT UNAFFECTED**

This policy shall not be construed as a reopening of negotiations between the school district and the special education teachers’ exclusive representative, nor shall it be

construed to alter or limit in any way the managerial rights or other authority of the school district set forth in the Public Employment Labor Relations Act or in the collective bargaining agreement between the school district and the special education teachers' exclusive representative.

**Legal References:** Minn. Stat. § 179A.07, Subd. 1 (Inherent Managerial Policy)  
Minn. Rule 3525.0210, Subps. 14, 27, 44, and 49 (Definitions)  
Minn. Rule 3525.2340, Subp. 4.B. (Case Loads for School-Age Educational Service Alternatives)

**Cross References:** MSBA/MASA Model Policy 508 (Extended School Year for Certain Students with Individualized Education Programs)  
MSBA/MASA Model Policy 608 (Instructional Services—Special Education)



## PROTECTION AND PRIVACY OF PUPIL RECORDS

### I. PURPOSE

The school district recognizes its responsibility in regard to the collection, maintenance, and dissemination of pupil records and the protection of the privacy rights of students as provided in federal law and state statutes.

### II. GENERAL STATEMENT OF POLICY

The following procedures and policies regarding the protection and privacy of parents and students are adopted by the school district, pursuant to the requirements of 20 United States Code section 1232g, *et seq.*, (Family Educational Rights and Privacy Act (FERPA)) 34 Code of Federal Regulations part 99 and consistent with the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes chapter 13, and Minnesota Rules parts 1205.0100-1205.2000.

### III. DEFINITIONS

#### A. Authorized Representative

“Authorized representative” means any entity or individual designated by the school district, state, or an agency headed by an official of the Comptroller of the United States, the Attorney General of the United States, the Secretary of the U.S.

Department of Education, or state and local educational authorities to conduct, with respect to federal or state supported education programs, any audit or evaluation or any compliance or enforcement activity in connection with federal legal requirements that relate to these programs.

#### B. Biometric Record

“Biometric record,” as referred to in “Personally Identifiable,” means a record of one or more measurable biological or behavioral characteristics that can be used for automated recognition of an individual (e.g., fingerprints, retina and iris patterns, voiceprints, DNA sequence, facial characteristics, and handwriting).

#### C. Dates of Attendance

“Dates of attendance,” as referred to in “Directory Information,” means the period of time during which a student attends or attended a school or schools in the school district, including attendance in person or by paper correspondence, videoconference, satellite, Internet, or other electronic information and telecommunications technologies for students who are not in the classroom, and including the period during which a student is working under a work-study program. The term does not include specific daily records of a student’s attendance at a school or schools in the school district.

#### D. Directory Information

“Directory information” means information contained in an education record of a student that would not generally be considered harmful or an invasion of privacy if disclosed. It includes, the student’s name; address; telephone listing; electronic mail address; photograph; date and place of birth; major field of study; dates of attendance; grade level; enrollment status (i.e., full-time or part-time); participation in officially recognized activities and sports; weight and height of members of athletic teams; degrees, honors and awards received; and the most recent

educational agency or institution attended. It also includes the name, address, and telephone number of the student's parent(s). Directory information does not include:

- 1) a student's social security number;
- 2) a student's identification number (ID), user ID, or other unique personal identifier used by a student for purposes of accessing or communicating in electronic systems if the identifier may be used to access education records without use of one or more factors that authenticate the student's identity such as a personal identification number (PIN), password, or other factor known or possessed only by the authorized user;
- 3) a student ID or other unique personal identifier that is displayed on a student ID badge if the identifier can be used to gain access to educational records when used in conjunction with one or more factors that authenticate the student's identity, such as a PIN, password, or other factor known or possessed only by the student;
- 4) personally identifiable data which references religion, race, color, social position, or nationality; or
- 5) data collected from nonpublic school students, other than those who receive shared time educational services, unless written consent is given by the student's parent or guardian.

E. Education Records

- 1) What constitutes "education records." Education records means those records that are: (1) directly related to a student; and (2) maintained by the school district or by a party acting for the school district.
- 2) What does not constitute education records. The term "education records" does not include:
  - a. Records of instructional personnel that are:
    1. kept in the sole possession of the maker of the record;
    2. used only as a personal memory aid;
    3. not accessible or revealed to any other individual except a temporary substitute teacher; and
    4. destroyed at the end of the school year.
  - b. Records of a law enforcement unit of the school district, provided education records maintained by the school district are not disclosed to the unit, and the law enforcement records are:
    1. maintained separately from education records;
    2. maintained solely for law enforcement purposes; and
    3. disclosed only to law enforcement officials of the same jurisdiction.
  - c. Records relating to an individual, including a student, who is employed by the school district which:
    1. are made and maintained in the normal course of business;
    2. relate exclusively to the individual in that individual's capacity as an employee; and
    3. are not available for use for any other purpose.However, records relating to an individual in attendance at the school district who is employed as a result of his or her status as a student are education records.
  - d. Records relating to an eligible student, or a student attending an institution of post-secondary education, that are:
    1. made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in

his or her professional or paraprofessional capacity or assisting in that capacity;

2. made, maintained, or used only in connection with the provision of treatment to the student; and
3. disclosed only to individuals providing the treatment; provided that the records can be personally reviewed by a physician or other appropriate professional of the student's choice. For the purpose of this definition, "treatment" does not include remedial educational activities or activities that are a part of the program of instruction within the school district.

- e. Records created or received by the school district after an individual is no longer a student at the school district and that are not directly related to the individual's attendance as a student.
- f. Grades on peer-related papers before the papers are collected and recorded by a teacher.

F. Education Support Services Data

"Education support services data" means data on individuals collected, created, maintained, used, or disseminated relating to programs administered by a government entity or entity under contract with a government entity designed to eliminate disparities and advance equities in educational achievement for youth by coordinating services available to participants, regardless of the youth's involvement with other government services. Education support services data does not include welfare data under Minnesota Statutes section 13.46.

Unless otherwise provided by law, all education support services data are private data on individuals and must not be disclosed except according to Minnesota Statutes section 13.05 or a court order.

G. Eligible Student

"Eligible student" means a student who has attained eighteen (18) years of age or is attending an institution of post-secondary education

H. Juvenile Justice System

"Juvenile justice system" includes criminal justice agencies and the judiciary when involved in juvenile justice activities

I. Legitimate Educational Interest

"Legitimate educational interest" includes an interest directly related to classroom instruction, teaching, student achievement and progress, discipline of a student, student health and welfare, and the ability to respond to a request for education data. It includes a person's need to know in order to:

- 1) Perform an administrative task required in the school or employee's contract or position description approved by the school board;
- 2) Perform a supervisory or instructional task directly related to the student's education;
- 3) Perform a service or benefit for the student or the student's family such as health care, counseling, student job placement, or student financial aid; or
- 4) Perform a task directly related to responding to a request for data.

J. Parent

"Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent of the student in the absence of a parent or guardian. The school district may presume the parent has the authority to exercise the rights provided herein, unless it has been provided with evidence that there is a state law or court order governing such matters as marriage dissolution, separation or child custody, or a legally binding instrument which provides to the contrary

K. Personally Identifiable

“Personally identifiable” means that the data or information includes, but is not limited to: (a) a student’s name; (b) the name of the student’s parent or other family member; (c) the address of the student or student’s family; (d) a personal identifier such as the student’s social security number or student number or biometric record; (e) other indirect identifiers, such as the student’s date of birth, place of birth, and mother’s maiden name; (f) other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty; or (g) information requested by a person who the school district reasonably believes knows the identity of the student to whom the education record relates

L. Record

“Record” means any information or data recorded in any way including, but not limited to, handwriting, print, computer media, video or audio tape, film, microfilm, and microfiche

M. Responsible Authority

“Responsible authority” means *[designate title and actual name of individual]*.

N. Student

“Student” includes any individual who is or has been in attendance, enrolled, or registered at the school district and regarding whom the school district maintains education records. Student also includes applicants for enrollment or registration at the school district and individuals who receive shared time educational services from the school district.

O. School Official

“School official” includes: (a) a person duly elected to the school board; (b) a person employed by the school board in an administrative, supervisory, instructional, or other professional position; (c) a person employed by the school board as a temporary substitute in a professional position for the period of his or her performance as a substitute; and (d) a person employed by, or under contract to, the school board to perform a special task such as a secretary, a clerk, a public information officer or data practices compliance official, an attorney, or an auditor for the period of his or her performance as an employee or contractor.

P. Summary Data

“Summary data” means statistical records and reports derived from data on individuals but in which individuals are not identified and from which neither their identities nor any other characteristic that could uniquely identify the individual is ascertainable.

Q. Other Terms and Phrases

All other terms and phrases shall be defined in accordance with applicable state and federal law or ordinary customary usage.

#### IV. GENERAL CLASSIFICATION

State law provides that all data collected, created, received, or maintained by a school district are public unless classified by state or federal law as not public or private or confidential. State law classifies all data on individuals maintained by a school district which relates to a student as private data on individuals. This data may not be disclosed to parties other than the parent or eligible student without consent, except pursuant to a valid court order, certain state statutes authorizing access, and the provisions of FERPA and the regulations promulgated thereunder.

## **V. STATEMENT OF RIGHTS**

### **A. Rights of Parents and Eligible Students**

Parents and eligible students have the following rights under this policy:

- 1) The right to inspect and review the student's education records;
- 2) The right to request the amendment of the student's education records to ensure that they are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights;
- 3) The right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that such consent is not required for disclosure pursuant to this policy, state or federal law, or the regulations promulgated thereunder;
- 4) The right to refuse release of names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions;
- 5) The right to file a complaint with the U.S. Department of Education concerning alleged failures by the school district to comply with the federal law and the regulations promulgated thereunder;
- 6) The right to be informed about rights under the federal law; and
- 7) The right to obtain a copy of this policy at the location set forth in Section XXI. of this policy.

### **B. Eligible Students**

All rights and protections given to parents under this policy transfer to the student when he or she reaches eighteen (18) years of age or enrolls in an institution of post-secondary education. The student then becomes an "eligible student." However, the parents of an eligible student who is also a "dependent student" are entitled to gain access to the education records of such student without first obtaining the consent of the student. In addition, parents of an eligible student may be given access to education records in connection with a health or safety emergency if the disclosure meets the conditions of any provision set forth in 34 Code of Federal Regulations section 99.31(a).

### **C. Students with a Disability**

The school district shall follow 34 Code of Federal Regulations sections 300.610-300.617 with regard to the privacy, notice, access, recordkeeping, and accuracy of information related to students with a disability.

## **VI. DISCLOSURE OF EDUCATION RECORDS**

### **A. Consent Required for Disclosure**

- 1) The school district shall obtain a signed and dated written informed consent of the parent of a student or the eligible student before disclosing personally identifiable information from the education records of the student, except as provided herein.
- 2) The written consent required by this subdivision must be signed and dated by the parent of the student or the eligible student giving the consent and shall include:
  - a. a specification of the records to be disclosed;
  - b. the purpose or purposes of the disclosure;
  - c. the party or class of parties to whom the disclosure may be made;
  - d. the consequences of giving informed consent; and
  - e. if appropriate, a termination date for the consent.
- 3) When a disclosure is made under this subdivision:
  - a. if the parent or eligible student so requests, the school district shall provide him or her with a copy of the records disclosed; and

- b. if the parent of a student who is not an eligible student so requests, the school district shall provide the student with a copy of the records disclosed.
- 4) A signed and dated written consent may include a record and signature in electronic form that:
  - a. identifies and authenticates a particular person as the source of the electronic consent; and
  - b. indicates such person's approval of the information contained in the electronic consent.
- 5) If the responsible authority seeks an individual's informed consent to the release of private data to an insurer or the authorized representative of an insurer, informed consent shall not be deemed to have been given unless the statement is:
  - a. in plain language;
  - b. dated;
  - c. specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;
  - d. specific as to the nature of the information the subject is authorizing to be disclosed;
  - e. specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;
  - f. specific as to the purpose or purposes for which the information may be used by any of the parties named in Clause e. above, both at the time of the disclosure and at any time in the future; and
  - g. specific as to its expiration date which should be within a reasonable time, not to exceed one year except in the case of authorizations given in connection with applications for: (i) life insurance or noncancellable or guaranteed renewable health insurance and identified as such, two years after the date of the policy, or (ii) medical assistance under Minnesota Statutes chapter 256B or Minnesota Care under Minnesota Statutes chapter 256L, which shall be ongoing during all terms of eligibility, for individualized education program health-related services provided by a school district that are subject to third party reimbursement.

6) Eligible Student Consent

Whenever a student has attained eighteen (18) years of age or is attending an institution of post-secondary education, the rights accorded to and the consent required of the parent of the student shall thereafter only be accorded to and required of the eligible student, except as provided in Section V. of this policy.

B. Prior Consent for Disclosure Not Required

The school district may disclose personally identifiable information from the education records of a student without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

- 1) To other school officials, including teachers, within the school district whom the school district determines have a legitimate educational interest in such records;
- 2) To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:
  - a. performs an institutional service or function for which the school district would otherwise use employees;

- b. is under the direct control of the school district with respect to the use and maintenance of education records; and
  - c. will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made;
- 3) To officials of other schools, school districts, or post-secondary educational institutions in which the student seeks or intends to enroll, or is already enrolled, as long as the disclosure is for purposes related to the student's enrollment or transfer. The records shall include information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon, and with proper annual notice (see Section XIX.), suspension and expulsion information pursuant to section 7917 of the federal Every Student Succeeds Act, 20 United States Code section 7917, *[insert the following if the school district has a policy regarding Staff Notification of Violent Behavior by Students]* and, if applicable, data regarding a student's history of violent behavior. The records also shall include a copy of any probable cause notice or any disposition or court order under Minnesota Statutes section 260B.171, unless the data are required to be destroyed under Minnesota Statutes section 120A.22, subdivision 7(c) or section 121A.75. On request, the school district will provide the parent or eligible student with a copy of the education records that have been transferred and provide an opportunity for a hearing to challenge the content of those records in accordance with Section XV. of this policy;
- 4) To authorized representatives of the Comptroller General of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or the Commissioner of the State Department of Education or his or her representative, subject to the conditions relative to such disclosure provided under federal law;
- 5) In connection with financial aid for which a student has applied or has received, if the information is necessary for such purposes as to:
- a. determine eligibility for the aid;
  - b. determine the amount of the aid;
  - c. determine conditions for the aid; or
  - d. enforce the terms and conditions of the aid.
- “Financial aid” for purposes of this provision means a payment of funds provided to an individual or a payment in kind of tangible or intangible property to the individual that is conditioned on the individual's attendance at an educational agency or institution;
- 6) To state and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to state statute adopted:
- a. before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system's ability to effectively serve the student whose records are released; or
  - b. after November 19, 1974, if the reporting or disclosure allowed by state statute concerns the juvenile justice system and the system's ability to effectively serve, prior to adjudication, the student whose records are released, provided the officials and authorities to whom the records are disclosed certify in writing to the school district that the data will not be disclosed to any other party, except as provided by state law, without the prior written consent of the parent of the student. At a minimum, the school district shall disclose the following

information to the juvenile justice system under this paragraph: a student's full name, home address, telephone number, and date of birth; a student's school schedule, attendance record, and photographs, if any; and parents' names, home addresses, and telephone numbers;

- 7) To organizations conducting studies for or on behalf of educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, or improving instruction; provided that the studies are conducted in a manner which does not permit the personal identification of parents or students by individuals other than representatives of the organization who have a legitimate interest in the information, the information is destroyed when no longer needed for the purposes for which the study was conducted, and the school district enters into a written agreement with the organization that: (a) specifies the purpose, scope, and duration of the study or studies and the information to be disclosed; (b) requires the organization to use personally identifiable information from education records only to meet the purpose or purposes of the study as stated in the written agreement; (c) requires the organization to conduct the study in a manner that does not permit personal identification of parents and students by anyone other than representatives of the organization with legitimate interests; and (d) requires the organization to destroy all personally identifiable information when information is no longer needed for the purposes for which the study was conducted and specifies the time period in which the information must be destroyed. For purposes of this provision, the term, "organizations," includes, but is not limited to, federal, state, and local agencies and independent organizations. In the event the Department of Education determines that a third party outside of the school district to whom information is disclosed violates this provision, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years;
- 8) To accrediting organizations in order to carry out their accrediting functions;
- 9) To parents of a student eighteen (18) years of age or older if the student is a dependent of the parents for income tax purposes;
- 10) To comply with a judicial order or lawfully issued subpoena, provided, however, that the school district makes a reasonable effort to notify the parent or eligible student of the order or subpoena in advance of compliance therewith so that the parent or eligible student may seek protective action, unless the disclosure is in compliance with a federal grand jury subpoena, or any other subpoena issued for law enforcement purposes, and the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, or the disclosure is in compliance with an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18 United States Code section 2332b(g)(5)(B), an act of domestic or international terrorism as defined in 18 U.S.C. § 2331, or a parent is a party to a court proceeding involving child abuse and neglect or dependency matters, and the order is issued in the context of the proceeding. If the school district initiates legal action against a parent or student, it may disclose to the court, without a court order or subpoena, the education records of the student that are relevant for the school district to proceed with the legal action as a plaintiff. Also, if a parent or eligible student initiates a legal

- action against the school district, the school district may disclose to the court, without a court order or subpoena, the student's education records that are relevant for the school district to defend itself;
- 11) To appropriate parties, including parents of an eligible student, in connection with an emergency if knowledge of the information is necessary to protect the health, including the mental health, or safety of the student or other individuals. The decision is to be based upon information available at the time the threat occurs that indicates that there is an articulable and significant threat to the health or safety of a student or other individuals. In making a determination whether to disclose information under this section, the school district may take into account the totality of the circumstances pertaining to a threat and may disclose information from education records to any person whose knowledge of the information is necessary to protect the health or safety of the student or other students. A record of this disclosure must be maintained pursuant to Section XIII.E. of this policy. In addition, an educational agency or institution may include in the education records of a student appropriate information concerning disciplinary action taken against the student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community. This information may be disclosed to teachers and school officials within the school district and/or teachers and school officials in other schools who have legitimate educational interests in the behavior of the student;
  - 12) To the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;
  - 13) Information the school district has designated as "directory information" pursuant to Section VII. of this policy;
  - 14) To military recruiting officers and post-secondary educational institutions pursuant to Section XI. of this policy;
  - 15) To the parent of a student who is not an eligible student or to the student himself or herself;
  - 16) To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
  - 17) To volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
  - 18) To the juvenile justice system, on written request that certifies that the information will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student:
    - a. the following information about a student must be disclosed: a student's full name, home address, telephone number, date of birth; a student's school schedule, daily attendance record, and photographs, if any; and any parents' names, home addresses, and telephone numbers;
    - b. the existence of the following information about a student, not the actual data or other information contained in the student's education record, may be disclosed provided that a request for access must be

submitted on the statutory form and it must contain an explanation of why access to the information is necessary to serve the student: (1) use of a controlled substance, alcohol, or tobacco; (2) assaultive or threatening conduct that could result in dismissal from school under the Pupil Fair Dismissal Act; (3) possession or use of weapons or look-alike weapons; (4) theft; or (5) vandalism or other damage to property. Prior to releasing this information, the principal or chief administrative officer of a school who receives such a request must, to the extent permitted by federal law, notify the student's parent or guardian by certified mail of the request to disclose information. If the student's parent or guardian notifies the school official of an objection to the disclosure within ten (10) days of receiving certified notice, the school official must not disclose the information and instead must inform the requesting member of the juvenile justice system of the objection. If no objection from the parent or guardian is received within fourteen (14) days, the school official must respond to the request for information.

The written requests of the juvenile justice system member(s), as well as a record of any release, must be maintained in the student's file;

- 19) To the principal where the student attends and to any counselor directly supervising or reporting on the behavior or progress of the student if it is information from a disposition order received by a superintendent under Minnesota Statutes section 260B.171, subdivision 3. The principal must notify the counselor immediately and must place the disposition order in the student's permanent education record. The principal also must notify immediately any teacher or administrator who directly supervises or reports on the behavior or progress of the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other school district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student, outline the offense, and describe any conditions of probation about which the school must provide information if this information is provided in the disposition order. Disposition order information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information may not be further disseminated by the counselor, teacher, administrator, staff member, substitute, or volunteer except as necessary to serve the student, to protect students and staff, or as otherwise required by law, and only to the student or the student's parent or guardian;
- 20) To the principal where the student attends if it is information from a peace officer's record of children received by a superintendent under Minnesota Statutes section 260B.171, subdivision 5. The principal must place the information in the student's education record. The principal also must notify immediately any teacher, counselor, or administrator directly supervising the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to

protect other persons from needless vulnerability. The principal may also notify other district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student and describe the alleged offense if this information is provided in the peace officer's notice. Peace officer's record information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information must not be further disseminated by the counselor, teacher administrator, staff member, substitute, or volunteer except to communicate with the student or the student's parent or guardian as necessary to serve the student, to protect students and staff, or as otherwise required by law.

The principal must delete the peace officer's record from the student's education record, destroy the data, and make reasonable efforts to notify any teacher, counselor, staff member, administrator, substitute, or volunteer who received information from the peace officer's record if the county attorney determines not to proceed with a petition or directs the student into a diversion or mediation program or if a juvenile court makes a decision on a petition and the county attorney or juvenile court notifies the superintendent of such action;

- 21) To the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of state and local educational and other agencies and institutions receiving funding or providing benefits of one or more programs authorized under the National School Lunch Act or the Child Nutrition Act of 1966 for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that: (a) any data collected shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and (b) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements; or
- 22) To an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in 25 United States Code section 5304), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records.

#### C. Nonpublic School Students

The school district may disclose personally identifiable information from the education records of a nonpublic school student, other than a student who receives

shared time educational services, without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

- 1) Pursuant to a valid court order;
- 2) Pursuant to a statute specifically authorizing access to the private data; or
- 3) To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiological investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

## VII. RELEASE OF DIRECTORY INFORMATION

### A. Classification

Directory information is public except as provided herein.

### B. Former Students

Unless a former student validly opted out of the release of directory information while the student was in attendance and has not rescinded the opt out request at any time, the school district may disclose directory information from the education records generated by it regarding the former student without meeting the requirements of Paragraph C. of this section. In addition, under an explicit exclusion from the definition of an "education record," the school district may release records that only contain information about an individual obtained after he or she is no longer a student at the school district and that are not directly related to the individual's attendance as a student (e.g., a student's activities as an alumnus of the school district).

### C. Present Students and Parents

The school district may disclose directory information from the education records of a student and information regarding parents without prior written consent of the parent of the student or eligible student, except as provided herein. Prior to such disclosure the school district shall:

- 1) Annually give public notice by any means that are reasonably likely to inform the parents and eligible students of:
  - a. the types of personally identifiable information regarding students and/or parents that the school district has designated as directory information;
  - b. the parent's or eligible student's right to refuse to let the school district designate any or all of those types of information about the student and/or the parent as directory information; and
  - c. the period of time in which a parent or eligible student has to notify the school district in writing that he or she does not want any or all of those types of information about the student and/or the parent designated as directory information.
- 2) Allow a reasonable period of time after such notice has been given for a parent or eligible student to inform the school district in writing that any or all of the information so designated should not be disclosed without the parent's or eligible student's prior written consent, except as provided in Section VI. of this policy.
- 3) A parent or eligible student may not opt out of the directory information disclosures to:
  - a. prevent the school district from disclosing or requiring the student to disclose the student's name, ID, or school district e-mail address in a class in which the student is enrolled; or

- b. prevent the school district from requiring a student to wear, to display publicly, or to disclose a student ID card or badge that exhibits information that may be designated as directory information and that has been properly designated by the school district as directory information.
    - 4) The school district shall not disclose or confirm directory information without meeting the written consent requirements contained in Section VI.A. of this policy if a student's social security number or other non-directory information is used alone or in combination with other data elements to identify or help identify the student or the student's records.
- D. Procedure for Obtaining Nondisclosure of Directory Information
 

The parent's or eligible student's written notice shall be directed to the responsible authority and shall include the following:

  - 1) Name of the student and/or parent, as appropriate;
  - 2) Home address;
  - 3) School presently attended by student;
  - 4) Parent's legal relationship to student, if applicable; and
  - 5) Specific categories of directory information to be made not public without the parent's or eligible student's prior written consent, which shall only be applicable for that school year.
- E. Duration
 

The designation of any information as directory information about a student or parents will remain in effect for the remainder of the school year unless the parent or eligible student provides the written notifications provided herein.

## VIII. DISCLOSURE OF PRIVATE RECORDS

### A. Private Records

For the purposes herein, education records are records which are classified as private data on individuals by state law and which are accessible only to the student who is the subject of the data and the student's parent if the student is not an eligible student. The school district may not disclose private records or their contents except as summary data, or except as provided in Section VI. of this policy, without the prior written consent of the parent or the eligible student. The school district will use reasonable methods to identify and authenticate the identity of parents, students, school officials, and any other party to whom personally identifiable information from education records is disclosed.

### B. Private Records Not Accessible to Parent

In certain cases, state law intends, and clearly provides, that certain information contained in the education records of the school district pertaining to a student be accessible to the student alone, and to the parent only under special circumstances, if at all.

- 1) The responsible authority may deny access to private data by a parent when a minor student who is the subject of that data requests that the responsible authority deny such access. The minor student's request must be submitted in writing setting forth the reasons for denying access to the parent and must be signed by the minor. Upon receipt of such request the responsible authority shall determine if honoring the request to deny the parent access would be in the best interest of the minor data subject. In making this determination the responsible authority shall consider the following factors:
  - a. whether the minor is of sufficient age and maturity to be able to explain the reasons for and understand the consequences of the request to deny access;

- b. whether the personal situation of the minor is such that denying parental access may protect the minor data subject from physical or emotional harm;
  - c. whether there are grounds for believing that the minor data subject's reasons for precluding parental access are reasonably accurate;
  - d. whether the data in question is of such a nature that disclosure of it to the parent may lead to physical or emotional harm to the minor data subject; and
  - e. whether the data concerns medical, dental or other health services provided pursuant to Minnesota Statutes sections 144.341-144.347, in which case the data may be released only if the failure to inform the parent would seriously jeopardize the health of the minor.
- C. Private Records Not Accessible to Student  
Students shall not be entitled to access to private data concerning financial records and statements of the student's parent or any information contained therein.
- D. Military-Connected Youth Identifier  
When a school district updates its enrollment forms in the ordinary course of business, the school district must include a box on the enrollment form to allow students to self-identify as a military-connected youth. For purposes of this section, a "military-connected youth" means having an immediate family member, including a parent or sibling, who is currently in the armed forces either as a reservist or on active duty or has recently retired from the armed forces. Data collected under this provision is private data on individuals, but summary data may be published by the Department of Education.

## IX. DISCLOSURE OF CONFIDENTIAL RECORDS

- A. Confidential Records  
Confidential records are those records and data contained therein which are made not public by state or federal law, and which are inaccessible to the student and the student's parents or to an eligible student.
- B. Reports Under the Maltreatment of Minors Reporting Act  
Pursuant to Minnesota Statutes Chapter 260E , written copies of reports pertaining to a neglected and/or physically and/or sexually abused child shall be accessible only to the appropriate welfare and law enforcement agencies. In respect to other parties, such data shall be confidential and will not be made available to the parent or the subject individual by the school district. The subject individual, however, may obtain a copy of the report from either the local welfare agency, county sheriff, or the local police department subject to the provisions of Minnesota Statutes Chapter 260E.

Regardless of whether a written report is made under Minnesota Statutes Chapter 260E, as soon as practicable after a school receives information regarding an incident that may constitute maltreatment of a child in a school facility, the school shall inform the parent, legal guardian, or custodian of the child that an incident occurred that may constitute maltreatment of the child, when the incident occurred, and the nature of the conduct that may constitute maltreatment.

- C. Investigative Data  
Data collected by the school district as part of an active investigation undertaken for the purpose of the commencement or defense of pending civil legal action, or are retained in anticipation of a pending civil legal action are classified as protected nonpublic data in the case of data not on individuals, and confidential data in the case of data on individuals.

- 1) The school district may make any data classified as protected non-public or confidential pursuant to this subdivision accessible to any person, agency, or the public if the school district determines that such access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.
- 2) A complainant has access to a statement he or she provided to the school district.
- 3) Parents or eligible students may have access to investigative data of which the student is the subject, but only to the extent the data is not inextricably intertwined with data about other school district students, school district employees, and/or attorney data as defined in Minnesota Statutes section 13.393.
- 4) Once a civil investigation becomes inactive, civil investigative data becomes public unless the release of the data would jeopardize another pending civil legal action, except for those portions of such data that are classified as not public data under state or federal law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. For purposes of this provision, a civil investigation becomes inactive upon the occurrence of any of the following events:
  - a. a decision by the school district, or by the chief attorney for the school district, not to pursue the civil legal action. However, such investigation may subsequently become active if the school district or its attorney decides to renew the civil legal action;
  - b. the expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil legal action; or
  - c. the exhaustion or expiration of rights of appeal by either party to the civil legal action.
- 5) A “pending civil legal action” for purposes of this subdivision is defined as including, but not limited to, judicial, administrative, or arbitration proceedings.

D. Chemical Abuse Records

To the extent the school district maintains records of the identity, diagnosis, prognosis, or treatment of any student which are maintained in connection with the performance of any drug abuse prevention function conducted, regulated, or directly or indirectly assisted by any department or agency of the United States, such records are classified as confidential and shall be disclosed only for the purposes and under the circumstances expressly authorized by law.

X. DISCLOSURE OF SCHOOL RECORDS PRIOR TO EXCLUSION OR EXPULSION HEARING

At a reasonable time prior to any exclusion or expulsion hearing, the student and the student’s parent or guardian or representative shall be given access to all school district records pertaining to the student, including any tests or reports upon which the action proposed by the school district may be based, pursuant to the Minnesota Pupil Fair Dismissal Act, Minnesota Statutes section 121A.40, *et seq.*

XI. DISCLOSURE OF DATA TO MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS

- A. The school district will release the names, addresses, electronic mail address (which shall be the electronic mail addresses provided by the school district, if available, that may be released to military recruiting officers only), and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-

secondary educational institutions within sixty (60) days after the date of the request unless a parent or eligible student has refused in writing to release this data pursuant to Paragraph C. below.

- B. Data released to military recruiting officers under this provision:
- 1) may be used only for the purpose of providing information to students about military service, state and federal veterans' education benefits, and other career and educational opportunities provided by the military;
  - 2) cannot be further disseminated to any other person except personnel of the recruiting services of the armed forces; and
  - 3) copying fees shall not be imposed.
- C. A parent or eligible student has the right to refuse the release of the name, address, electronic mail addresses (which shall be the electronic mail addresses provided by the school, if available, that may be released to military recruiting officers only) or home telephone number to military recruiting officers and post-secondary educational institutions. To refuse the release of the above information to military recruiting officers and post-secondary educational institutions, a parent or eligible student must notify the responsible authority, the Building Principal, in writing by October 1 each year. The written request must include the following information:
- 1) Name of student and parent, as appropriate;
  - 2) Home address;
  - 3) Student's grade level;
  - 4) School presently attended by student;
  - 5) Parent's legal relationship to student, if applicable;
  - 6) Specific category or categories of information which are not to be released to military recruiting officers and post-secondary educational institutions; and
  - 7) Specific category or categories of information which are not to be released to the public, including military recruiting officers and post-secondary educational institutions.
- D. Annually, the school district will provide public notice by any means that are reasonably likely to inform the parents and eligible students of their rights to refuse to release the names, addresses, and home phone numbers of students in grades 11 and 12 without prior consent.
- E. A parent or eligible student's refusal to release the above information to military recruiting officers and post-secondary educational institutions does not affect the school district's release of directory information to the rest of the public, which includes military recruiting officers and post-secondary educational institutions. In order to make any directory information about a student private, the procedures contained in Section VII. of this policy also must be followed. Accordingly, to the extent the school district has designated the name, address, home phone number, and grade level of students as directory information, absent a request from a parent or eligible student not to release such data, this information will be public data and accessible to members of the public, including military recruiting officers and post-secondary educational institutions.

## XII. LIMITS ON REDISCLOSURE

### A. Redisdisclosure

Consistent with the requirements herein, the school district may only disclose personally identifiable information from the education records of a student on the condition that the party to whom the information is to be disclosed will not disclose the information to any other party without the prior written consent of the parent of the student or the eligible student, except that the officers, employees, and agents of any party receiving personally identifiable information

under this section may use the information, but only for the purposes for which the disclosure was made.

B. Redisdisclosure Not Prohibited

1) Subdivision A. of this section does not prevent the school district from disclosing personally identifiable information under Section VI. of this policy with the understanding that the party receiving the information may make further disclosures of the information on behalf of the school district provided:

- a. The disclosures meet the requirements of Section VI. of this policy; and
- b. The school district has complied with the record-keeping requirements of Section XIII. of this policy.

2) Subdivision A. of this section does not apply to disclosures made pursuant to court orders or lawfully issued subpoenas or litigation, to disclosures of directory information, to disclosures to a parent or student or to parents of dependent students, or to disclosures concerning sex offenders and other individuals required to register under 42 United States Code section 14071. However, the school district must provide the notification required in Section XII.D. of this policy if a redisdisclosure is made based upon a court order or lawfully issued subpoena.

C. Classification of Disclosed Data

The information disclosed shall retain the same classification in the hands of the party receiving it as it had in the hands of the school district.

D. Notification

The school district shall inform the party to whom a disclosure is made of the requirements set forth in this section, except for disclosures made pursuant to court orders or lawfully issued subpoenas, disclosure of directory information under Section VII. of this policy, disclosures to a parent or student, or disclosures to parents of a dependent student. In the event that the Family Policy Compliance Office determines that a state or local educational authority, a federal agency headed by an official listed in 34 Code of Federal Regulations section 99.31(a)(3), or an authorized representative of a state or local educational authority or a federal agency headed by an official listed in section 99.31(a)(3), or a third party outside of the school district improperly redisdiscloses personally identifiable information from education records or fails to provide notification required under this section of this policy, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years.

XIII. RESPONSIBLE AUTHORITY; RECORD SECURITY; AND RECORD KEEPING

A. Responsible Authority

The responsible authority shall be responsible for the maintenance and security of student records.

B. Record Security

The principal of each school subject to the supervision and control of the responsible authority shall be the records manager of the school, and shall have the duty of maintaining and securing the privacy and/or confidentiality of student records.

C. Plan for Securing Student Records

The building principal shall submit to the responsible authority a written plan for securing students records by September 1 of each school year. The written plan shall contain the following information:

- 1) A description of records maintained;
  - 2) Titles and addresses of person(s) responsible for the security of student records;
  - 3) Location of student records, by category, in the buildings;
  - 4) Means of securing student records; and
  - 5) Procedures for access and disclosure.
- D. Review of Written Plan for Securing Student Records
- The responsible authority shall review the plans submitted pursuant to Paragraph C. of this section for compliance with the law, this policy, and the various administrative policies of the school district. The responsible authority shall then promulgate a chart incorporating the provisions of Paragraph C. which shall be attached to and become a part of this policy.
- E. Record Keeping
- 1) The principal shall, for each request for and each disclosure of personally identifiable information from the education records of a student, maintain a record, with the education records of the student, that indicates:
    - a. the parties who have requested or received personally identifiable information from the education records of the student;
    - b. the legitimate interests these parties had in requesting or obtaining the information; and
    - c. the names of the state and local educational authorities and federal officials and agencies listed in Section VI.B.4. of this policy that may make further disclosures of personally identifiable information from the student's education records without consent.
  - 2) In the event the school district discloses personally identifiable information from an education record of a student pursuant to Section XII.B. of this policy, the record of disclosure required under this section shall also include:
    - a. the names of the additional parties to which the receiving party may disclose the information on behalf of the school district;
    - b. the legitimate interests under Section VI. of this policy which each of the additional parties has in requesting or obtaining the information; and
    - c. a copy of the record of further disclosures maintained by a state or local educational authority or federal official or agency listed in Section VI.B.4. of this policy in accordance with 34 Code of Federal Regulations section 99.32 and to whom the school district disclosed information from an education record. The school district shall request a copy of the record of further disclosures from a state or local educational authority or federal official or agency to whom education records were disclosed upon a request from a parent or eligible student to review the record of requests for disclosure.
  - 3) Section XIII.E.1. does not apply to requests by or disclosure to a parent of a student or an eligible student, disclosures pursuant to the written consent of a parent of a student or an eligible student, requests by or disclosures to other school officials under Section VI.B.1. of this policy, to requests for disclosures of directory information under Section VII. of this policy, or to a party seeking or receiving the records as directed by a federal grand jury or other law enforcement subpoena and the issuing court or agency has ordered that the existence or the contents of the subpoena or the information provided in response to the subpoena not be disclosed or as directed by an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning

investigations or prosecutions of an offense listed in 18 United States Code section 2332b(g)(5)(B) or an act of domestic or international terrorism.

- 4) The record of requests of disclosures may be inspected by:
  - a. the parent of the student or the eligible student;
  - b. the school official or his or her assistants who are responsible for the custody of the records; and
  - c. the parties authorized by law to audit the record-keeping procedures of the school district.
- 5) The school district shall record the following information when it discloses personally identifiable information from education records under the health or safety emergency exception:
  - a. the articulable and significant threat to the health or safety of a student or other individual that formed the basis for the disclosure; and
  - b. the parties to whom the school district disclosed the information.
- 6) The record of requests and disclosures shall be maintained with the education records of the student as long as the school district maintains the student's education records.

#### XIV. RIGHT TO INSPECT AND REVIEW EDUCATION RECORDS

##### A. Parent of a Student, an Eligible Student or the Parent of an Eligible Student Who is Also a Dependent Student

The school district shall permit the parent of a student, an eligible student, or the parent of an eligible student who is also a dependent student who is or has been in attendance in the school district to inspect or review the education records of the student, except those records which are made confidential by state or federal law or as otherwise provided in Section VIII. of this policy.

##### B. Response to Request for Access

The school district shall respond to any request pursuant to Subdivision A. of this section immediately, if possible, or within ten (10) days of the date of the request, excluding Saturdays, Sundays, and legal holidays.

##### C. Right to Inspect and Review

The right to inspect and review education records under Subdivision A. of this section includes:

- 1) The right to a response from the school district to reasonable requests for explanations and interpretations of records; and
- 2) If circumstances effectively prevent the parent or eligible student from exercising the right to inspect and review the education records, the school district shall provide the parent or eligible student with a copy of the records requested or make other arrangements for the parent or eligible student to inspect and review the requested records.
- 3) Nothing in this policy shall be construed as limiting the frequency of inspection of the education records of a student with a disability by the student's parent or guardian or by the student upon the student reaching the age of majority.

##### D. Form of Request

Parents or eligible students shall submit to the school district a written request to inspect education records which identify as precisely as possible the record or records he or she wishes to inspect.

##### E. Collection of Student Records

If a student's education records are maintained in more than one location, the responsible authority may collect copies of the records or the records themselves

from the various locations so they may be inspected at one site. However, if the parent or eligible student wishes to inspect these records where they are maintained, the school district shall attempt to accommodate those wishes. The parent or eligible student shall be notified of the time and place where the records may be inspected.

F. Records Containing Information on More Than One Student

If the education records of a student contain information on more than one student, the parent or eligible student may inspect and review or be informed of only the specific information which pertains to that student.

G. Authority to Inspect or Review

The school district may presume that either parent of the student has authority to inspect or review the education records of a student unless the school district has been provided with evidence that there is a legally binding instrument or a state law or court order governing such matters as marriage dissolution, separation, or custody which provides to the contrary.

H. Fees for Copies of Records

1) The school district shall charge a reasonable fee for providing photocopies or printed copies of records unless printing a copy is the only method to provide for the inspection of data. In determining the amount of the reasonable fee, the school district shall consider the following:

- a. the cost of materials, including paper, used to provide the copies;
- b. the cost of the labor required to prepare the copies;
- c. any schedule of standard copying charges established by the school district in its normal course of operations;
- d. any special costs necessary to produce such copies from machine-based record-keeping systems, including but not limited to computers and microfilm systems; and
- e. mailing costs.

2) If 100 or fewer pages of black and white, letter or legal size paper copies are requested, actual costs shall not be used, and, instead, the charge shall be no more than 25 cents for each page copied.

3) The cost of providing copies shall be borne by the parent or eligible student.

4) The responsible authority, however, may not impose a fee for a copy of an education record made for a parent or eligible student if doing so would effectively prevent or, in the case of a student with a disability, impair the parent or eligible student from exercising their right to inspect or review the student's education records.

XV. REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA

A. Request to Amend Education Records

The parent of a student or an eligible student who believes that information contained in the education records of the student is inaccurate, misleading, or violates the privacy rights of the student may request that the school district amend those records.

1) The request shall be in writing, shall identify the item the requestor believes to be inaccurate, misleading, or in violation of the privacy or other rights of the student, shall state the reason for this belief, and shall specify the correction the requestor wishes the school district to make. The request shall be signed and dated by the requestor.

2) The school district shall decide whether to amend the education records of the student in accordance with the request within thirty (30) days after receiving the request.

- 3) If the school district decides to refuse to amend the education records of the student in accordance with the request, it shall inform the parent of the student or the eligible student of the refusal and advise the parent or eligible student of the right to a hearing under Subdivision B. of this section.

**B. Right to a Hearing**

If the school district refuses to amend the education records of a student, the school district, on request, shall provide an opportunity for a hearing in order to challenge the content of the student's education records to ensure that information in the education records of the student is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student. A hearing shall be conducted in accordance with Subdivision C. of this section.

- 1) If, as a result of the hearing, the school district decides that the information is inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall amend the education records of the student accordingly and so inform the parent of the student or the eligible student in writing.
- 2) If, as a result of the hearing, the school district decides that the information is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall inform the parent or eligible student of the right to place a statement in the record commenting on the contested information in the record or stating why he or she disagrees with the decision of the school district, or both.
- 3) Any statement placed in the education records of the student under Subdivision B. of this section shall:
  - a. be maintained by the school district as part of the education records of the student so long as the record or contested portion thereof is maintained by the school district; and
  - b. if the education records of the student or the contested portion thereof is disclosed by the school district to any party, the explanation shall also be disclosed to that party.

**C. Conduct of Hearing**

- 1) The hearing shall be held within a reasonable period of time after the school district has received the request, and the parent of the student or the eligible student shall be given notice of the date, place, and time reasonably in advance of the hearing.
- 2) The hearing may be conducted by any individual, including an official of the school district who does not have a direct interest in the outcome of the hearing. The school board attorney shall be in attendance to present the school board's position and advise the designated hearing officer on legal and evidentiary matters.
- 3) The parent of the student or eligible student shall be afforded a full and fair opportunity for hearing to present evidence relative to the issues raised under Subdivisions A. and B. of this section and may be assisted or represented by individuals of his or her choice at his or her own expense, including an attorney.
- 4) The school district shall make a decision in writing within a reasonable period of time after the conclusion of the hearing. The decision shall be based solely on evidence presented at the hearing and shall include a summary of evidence and reasons for the decision.

**D. Appeal**

The final decision of the designated hearing officer may be appealed in accordance with the applicable provisions of Minnesota Statutes chapter 14 relating to contested cases.

XVI. PROBLEMS ACCESSING DATA

- A. The data practices compliance official is the designated employee to whom persons may direct questions or concerns regarding problems in obtaining access to data or other data practices problems.
- B. Data practices compliance official means *[designate title and actual name of individual]*.
- C. Any request by an individual with a disability for reasonable modifications of the school district's policies or procedures for purposes of accessing records shall be made to the data practices compliance official.

XVII. COMPLAINTS FOR NONCOMPLIANCE WITH FERPA

- A. Where to File Complaints  
Complaints regarding alleged violations of rights accorded parents and eligible students by FERPA, and the rules promulgated thereunder, shall be submitted in writing to the U.S. Department of Education, Student Privacy Policy Office, 400 Maryland Avenue S.W., Washington, D.C. 20202-8520.
- B. Content of Complaint  
A complaint filed pursuant to this section must contain specific allegations of fact giving reasonable cause to believe that a violation of FERPA and the rules promulgated thereunder has occurred.

XVIII. WAIVER

A parent or eligible student may waive any of his or her rights provided herein pursuant to FERPA. A waiver shall not be valid unless in writing and signed by the parent or eligible student. The school district may not require such a waiver.

XIX. ANNUAL NOTIFICATION OF RIGHTS

- A. Contents of Notice  
The school district shall give parents of students currently in attendance and eligible students currently in attendance annual notice by such means as are reasonably likely to inform the parents and eligible students of the following:
  - 1) That the parent or eligible student has a right to inspect and review the student's education records and the procedure for inspecting and reviewing education records;
  - 2) That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights and the procedure for requesting amendment of records;
  - 3) That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosure without consent;
  - 4) That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of FERPA and the rules promulgated thereunder;
  - 5) The criteria for determining who constitutes a school official and what constitutes a legitimate educational interest for purposes of disclosing

education records to other school officials whom the school district has determined to have legitimate educational interests; and

- 6) That the school district forwards education records on request to a school in which a student seeks or intends to enroll or is already enrolled as long as the disclosure is for purposes related to the student's enrollment or transfer and that such records may include suspension and expulsion records pursuant to the federal Every Student Succeeds Act and, if applicable, a student's history of violent behavior.

B. Notification to Parents of Students Having a Primary Home Language Other Than English

The school district shall provide for the need to effectively notify parents of students identified as having a primary or home language other than English.

C. Notification to Parents or Eligible Students Who are Disabled

The school district shall provide for the need to effectively notify parents or eligible students identified as disabled.

XX. DESTRUCTION AND RETENTION OF RECORDS

Destruction and retention of records by the school district shall be controlled by state and federal law.

XXI. COPIES OF POLICY

Copies of this policy may be obtained by parents and eligible students at the superintendent's office.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. § 13.393 (Attorneys)  
Minn. Stat. Ch. 14 (Administrative Procedures Act)  
Minn. Stat. § 120A.22 (Compulsory Instruction)  
Minn. Stat. § 121A.40-121A.56 (The Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.75 (Receipt of Records; Sharing)  
Minn. Stat. § 127A.852 (Military-Connected Youth Identifier)  
Minn. Stat. § 144.341-144.347 (Consent of Minors for Health Services)  
Minn. Stat. Ch. 256B (Medical Assistance for Needy Persons)  
Minn. Stat. Ch. 256L (MinnesotaCare)  
Minn. Stat. § 260B.171, Subds. 3 and 5 (Disposition Order and Peace Officer Records of Children)  
Minn. Stat. Ch. 260E (Reporting of Maltreatment of Minors)  
Minn. Stat. § 363A.42 (Public Records; Accessibility)  
Minn. Stat. § 626.557 (Reporting of Maltreatment of Vulnerable Adults)  
Minn. Rules Parts 1205.0100-1205.2000 (Data Practices)  
10 U.S.C. § 503(b) and (c) (Enlistments: Recruiting Campaigns; Compilation of Directory Information)  
18 U.S.C. § 2331 (Definitions)  
18 U.S.C. § 2332b (Acts of Terrorism Transcending National Boundaries)  
20 U.S.C. § 1232g *et seq.* (Family Educational Rights and Privacy Act)  
20 U.S.C. § 6301 *et seq.* (Every Student Succeeds Act)  
20 U.S.C. § 7908 (Armed Forces Recruiting Information)  
20 U.S.C. § 7917 (Transfer of School Disciplinary Records)  
25 U.S.C. § 5304 (Definitions – Tribal Organization)  
26 U.S.C. §§ 151 and 152 (Internal Revenue Code)

42 U.S.C. § 1711 *et seq.* (Child Nutrition Act)  
42 U.S.C. § 1751 *et seq.* (Richard B. Russell National School Lunch Act)  
34 C.F.R. §§ 99.1-99.67 (Family Educational Rights and Privacy)  
34 C.F.R. § 300.610-300.627 (Confidentiality of Information)  
42 C.F.R. § 2.1 *et seq.* (Confidentiality of Drug Abuse Patient Records)  
*Gonzaga University v. Doe*, 536 U.S. 273 309 (2002)  
Dept. of Admin. Advisory Op. No. 21-008 (December 8, 2021)

***Cross References:*** MSBA/MASA Model Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)  
MSBA/MASA Model Policy 417 (Chemical Use and Abuse)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)  
MSBA/MASA Model Policy 520 (Student Surveys)  
MSBA/MASA Model Policy 711 (Video Recording on School Buses)  
MSBA/MASA Model Policy 722 (Public Data Requests)  
MSBA/MASA Model Policy 906 (Community Notification of Predatory Offenders)  
MSBA School Law Bulletin “I” (School Records – Privacy – Access to Data)



## **INTERNET ACCEPTABLE USE AND SAFETY POLICY**

### **I. PURPOSE**

The purpose of this policy is to set forth policies and guidelines for access to the school district computer system and acceptable and safe use of the Internet, including electronic communications.

### **II. GENERAL STATEMENT OF POLICY**

In making decisions regarding student and employee access to the school district computer system and the Internet, including electronic communications, the school district considers its own stated educational mission, goals, and objectives. Electronic information research skills are now fundamental to preparation of citizens and future employees. Access to the school district computer system and to the Internet enables students and employees to explore thousands of libraries, databases, bulletin boards, and other resources while exchanging messages with people around the world. The school district expects that faculty will blend thoughtful use of the school district computer system and the Internet throughout the curriculum and will provide guidance and instruction to students in their use.

### **III. LIMITED EDUCATIONAL PURPOSE**

The school district is providing students and employees with access to the school district computer system, which includes Internet access. The purpose of the system is more specific than providing students and employees with general access to the Internet. The school district system has a limited educational purpose, which includes use of the system for classroom activities, educational research, and professional or career development activities. Users are expected to use Internet access through the district system to further educational and personal goals consistent with the mission of the school district and school policies. Uses which might be acceptable on a user's private personal account on another system may not be acceptable on this limited-purpose network.

### **IV. USE OF SYSTEM IS A PRIVILEGE**

The use of the school district system and access to use of the Internet is a privilege, not a right. Depending on the nature and degree of the violation and the number of previous violations, unacceptable use of the school district system or the Internet may result in one or more of the following consequences: suspension or cancellation of use or access privileges; payments for damages and repairs; discipline under other appropriate school district policies, including suspension, expulsion, exclusion, or termination of employment; or civil or criminal liability under other applicable laws.

### **V. UNACCEPTABLE USES**

A. While not an exhaustive list, the following uses of the school district system and Internet resources are considered unacceptable:

- 1) Users will not use the school district system to access, review, upload, download, store, print, post, receive, transmit, or distribute:
  - a. Pornographic, obscene, or sexually explicit material or other visual depictions that are harmful to minors;

- b. Obscene, abusive, profane, lewd, vulgar, rude, inflammatory, threatening, disrespectful, or sexually explicit language;
  - c. Materials that use language or images that are inappropriate in the education setting or disruptive to the educational process;
  - d. Information or materials that could cause damage or danger of disruption to the educational process;
  - e. Materials that use language or images that advocate violence or discrimination toward other people (hate literature) or that may constitute harassment or discrimination.
- 2) Users will not use the school district system to knowingly or recklessly post, transmit, or distribute false or defamatory information about a person or organization, or to harass another person, or to engage in personal attacks, including prejudicial or discriminatory attacks.
  - 3) Users will not use the school district system to engage in any illegal act or violate any local, state, or federal statute or law.
  - 4) Users will not use the school district system to vandalize, damage, or disable the property of another person or organization, will not make deliberate attempts to degrade or disrupt equipment, software, or system performance by spreading computer viruses or by any other means, will not tamper with, modify, or change the school district system software, hardware, or wiring or take any action to violate the school district's security system, and will not use the school district system in such a way as to disrupt the use of the system by other users.
  - 5) Users will not use the school district system to gain unauthorized access to information resources or to access another person's materials, information, or files without the implied or direct permission of that person.
  - 6) Users will not use the school district system to post private information about another person, personal contact information about themselves or other persons, or other personally identifiable information, including, but not limited to, addresses, telephone numbers, school addresses, work addresses, identification numbers, account numbers, access codes or passwords, labeled photographs, or other information that would make the individual's identity easily traceable, and will not repost a message that was sent to the user privately without permission of the person who sent the message.
    - a. This paragraph does not prohibit the posting of employee contact information on school district webpages or communications between employees and other individuals when such communications are made for education-related purposes (i.e., communications with parents or other staff members related to students).
    - b. Employees creating or posting school-related webpages may include personal contact information about themselves on a webpage. However, employees may not post personal contact information or other personally identifiable information about students unless:
      - i. such information is classified by the school district as directory information and verification is made that the school district has not received notice from a parent/guardian or eligible student that such information is not to be designated as directory information in accordance with Policy 515; or
      - ii. such information is not classified by the school district as directory information but written consent for release of the information to be posted has been obtained from a parent/guardian or eligible student in accordance with Policy 515

In addition, prior to posting any personal contact or personally identifiable information on a school-related webpage, employees shall obtain written approval of the content of the postings from the building administrator.

- c. These prohibitions specifically prohibit a user from utilizing the school district system to post personal information about a user or another individual on social networks, including, but not limited to, social networks such as “Facebook,” “Twitter,” “Instagram,” “Snapchat,” “TikTok,” “Reddit,” and similar websites or application.
  - 7) Users must keep all account information and passwords on file with the designated school district official. Users will not attempt to gain unauthorized access to the school district system or any other system through the school district system, attempt to log in through another person’s account, or use computer accounts, access codes, or network identification other than those assigned to the user. Messages and records on the school district system may not be encrypted without the permission of appropriate school authorities.
  - 8) Users will not use the school district system to violate copyright laws or usage licensing agreements, or otherwise to use another person’s property without the person’s prior approval or proper citation, including the downloading or exchanging of pirated software or copying software to or from any school computer, and will not plagiarize works they find on the Internet.
  - 9) Users will not use the school district system for conducting business, for unauthorized commercial purposes, or for financial gain unrelated to the mission of the school district. Users will not use the school district system to offer or provide goods or services or for product advertisement. Users will not use the school district system to purchase goods or services for personal use without authorization from the appropriate school district official.
  - 10) Users will not use the school district system to engage in bullying or cyberbullying in violation of the school district’s Bullying Prohibition Policy. This prohibition includes using any technology or other electronic communication off school premises to the extent that student learning or the school environment is substantially and materially disrupted.
- B. The school district has a special interest in regulating off-campus speech that materially disrupts classwork or involves substantial disorder or invasion of the rights of others. A student or employee engaging in the foregoing unacceptable uses of the Internet when off school district premises also may be in violation of this policy as well as other school district policies. Examples of such violations may include, but are not limited to, serious or severe bullying or harassment targeting particular individuals, threats aimed at teachers or other students, failure to follow rules concerning lessons, the writing of papers, the use of computers, or participation in other online school activities, and breaches of school security devices. If the school district receives a report of an unacceptable use originating from a non-school computer or resource, the school district may investigate such reports to the best of its ability. Students or employees may be subject to disciplinary action for such conduct, including, but not limited to, suspension or cancellation of the use or access to the school district computer system and the Internet and discipline under other appropriate school district policies, including suspension, expulsion, exclusion, or termination of employment.
- C. If a user inadvertently accesses unacceptable materials or an unacceptable Internet site, the user shall immediately disclose the inadvertent access to an appropriate school district official. In the case of a school district employee, the immediate disclosure shall be to the employee’s immediate supervisor and/or the building

administrator. This disclosure may serve as a defense against an allegation that the user has intentionally violated this policy. In certain rare instances, a user also may access otherwise unacceptable materials if necessary to complete an assignment and if done with prior approval of and with appropriate guidance from the appropriate teacher or, in the case of a school district employee, the building administrator.

## **VI. FILTER**

- A. With respect to any of its computers with Internet access, the school district will monitor the online activities of both minors and adults and employ technology protection measures during any use of such computers by minors and adults. The technology protection measures utilized will block or filter Internet access to any visual depictions that are:
  - 1) Obscene;
  - 2) Child pornography; or
  - 3) Harmful to minors;
- B. The term “harmful to minors” means any picture, image, graphic image file, or other visual depiction that:
  - 1) Taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion; or
  - 2) Depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and
  - 3) Taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.
- C. Software filtering technology shall be narrowly tailored and shall not discriminate based on viewpoint.
- D. An administrator, supervisor, or other person authorized by the Superintendent may disable the technology protection measure, during use by an adult, to enable access for bona fide research or other lawful purposes.
- E. The district will educate students about appropriate online behavior, including interacting with other individuals on social networking websites and in chat rooms and cyber bullying awareness and response.

## **VII. CONSISTENCY WITH OTHER SCHOOL POLICIES**

Use of the school district computer system and use of the Internet shall be consistent with school district policies and the mission of the school district.

## **VIII. LIMITED EXPECTATION OF PRIVACY**

- A. By authorizing use of the school district system, the school district does not relinquish control over materials on the system or contained in files on the system. Users should expect only limited privacy in the contents of personal files on the school district system.
- B. Routine maintenance and monitoring of the school district system may lead to a discovery that a user has violated this policy, another school district policy, or the law.
- C. An individual investigation or search will be conducted if school authorities have any reasonable suspicion that the search will uncover a violation of law or school district policy.
- D. Parents may have the right at any time to investigate or review the contents of their child’s files and e-mail files in accordance with the school district’s Protection and Privacy of Pupil Records Policy. Parents have the right to request the termination of their child’s individual account at any time.
- E. School district employees should be aware that the school district retains the right at

any time to investigate or review the contents of their files and e-mail files. In addition, school district employees should be aware that data and other materials in files maintained on the school district system may be subject to review, disclosure, or discovery under Minnesota Statutes chapter 13 (Minnesota Government Data Practices Act).

- F. The school district will cooperate fully with local, state and federal authorities in any investigation concerning or related to any illegal activities or activities not in compliance with school district policies conducted through the school district system.

## **IX. INTERNET USE AGREEMENT**

- A. The proper use of the Internet, and the educational value to be gained from proper Internet use, is the joint responsibility of students, parents, and employees of the school district.
- B. This policy requires the permission of and supervision by the school's designated professional staff before a student may use a school account or resource to access the Internet.
- C. The Internet Use Agreement form for students must be read and signed by the user, the parent or guardian, and the supervising teacher. The Internet Use Agreement form for employees must be signed by the employee. The form must then be filed at the school office. As supervising teachers change, the agreement signed by the new teacher shall be attached to the original agreement.

## **X. LIMITATION ON SCHOOL DISTRICT LIABILITY**

Use of district technologies is at the user's own risk. The system is provided on an "as is, as available" basis. The school district will not be responsible for any damage users may suffer, including, but not limited to, loss, damage, or unavailability of data stored on school district diskettes, tapes, hard drives, or servers, or for delays or changes in or interruptions of service or missed deliveries or non-deliveries of information or materials, regardless of the cause. The school district is not responsible for the accuracy or quality of any advice or information obtained through or stored on the school district system. The school district will not be responsible for financial obligations arising through unauthorized use of the school district system or the Internet.

## **XI. USER NOTIFICATION**

- A. All users shall be notified of the school district policies relating to Internet use.
- B. This notification shall include the following:
  - 1) Notification that Internet use is subject to compliance with school district policies.
  - 2) Disclaimers limiting the school district's liability relative to:
    - a. Information stored on school district diskettes, hard drives, or servers.
    - b. Information retrieved through school district computers, networks, or online resources.
    - c. Personal property used to access school district computers, networks, or online resources.
    - d. Unauthorized financial obligations resulting from use of school district resources/accounts to access the Internet.
  - 3) A description of the privacy rights and limitations of school sponsored/managed Internet accounts.
  - 4) Notification that, even though the school district may use technical means to limit student Internet access, these limits do not provide a foolproof means for enforcing the provisions of this acceptable use policy.

- 5) Notification that goods and services can be purchased over the Internet that could potentially result in unwanted financial obligations and that any financial obligation incurred by a student through the Internet is the sole responsibility of the student and/or the student's parents.
- 6) Notification that the collection, creation, reception, maintenance, and dissemination of data via the Internet, including electronic communications, is governed by Public and Private Personnel Data Policy, and Protection and Privacy of Pupil Records Policy.
- 7) Notification that, should the user violate the school district's acceptable use policy, the user's access privileges may be revoked, school disciplinary action may be taken and/or appropriate legal action may be taken.
- 8) Notification that all provisions of the acceptable use policy are subordinate to local, state, and federal laws.

## **XII. PARENTS' RESPONSIBILITY; NOTIFICATION OF STUDENT INTERNET USE**

- A. Outside of school, parents bear responsibility for the same guidance of Internet use as they exercise with information sources such as television, telephones, radio, movies, and other possibly offensive media. Parents are responsible for monitoring their student's use of the school district system and of the Internet if the student is accessing the school district system from home or a remote location.
- B. Parents will be notified that their students will be using school district resources/accounts to access the Internet and that the school district will provide parents the option to request alternative activities not requiring Internet access. This notification should include:
  - 1) A copy of the user notification form provided to the student user.
  - 2) A description of parent/guardian responsibilities.
  - 3) A notification that the parents have the option to request alternative educational activities not requiring Internet access and the material to exercise this option.
  - 4) A statement that the Technology Use Agreement must be signed by the user, the parent or guardian, and the supervising teacher prior to use by the student.
  - 5) A statement that the school district's acceptable use policy is available for parental review.

## **XIII. NOTIFICATION REGARDING TECHNOLOGY PROVIDERS**

- A. "Technology provider" means a person who:
  - 1) contracts with the school district, as part of a one-to-one program or otherwise, to provide a school-issued device for student use; and
  - 2) creates, receives, or maintains educational data pursuant or incidental to a contract with the school district.
- B. "Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent in the absence of a parent or a guardian.
- C. Within 30 days of the start of each school year, the school district must give parents and students direct and timely notice, by United States mail, e-mail, or other direct form of communication, of any curriculum, testing, or assessment technology provider contract affecting a student's educational data. The notice must:
  - 1) identify each curriculum, testing, or assessment technology provider with access to educational data;
  - 2) identify the educational data affected by the curriculum, testing, or assessment technology provider contract; and

- 3) include information about the contract inspection and provide contact information for a school department to which a parent or student may direct questions or concerns regarding any program or activity that allows a curriculum, testing, or assessment technology provider to access a student's educational data.
- D. The school district must provide parents and students an opportunity to inspect a complete copy of any contract with a technology provider.
- E. A contract between a technology provider and the school district must include requirements to ensure appropriate security safeguards for educational data. The contract must require that:
  - 1) the technology provider's employees or contractors have access to educational data only if authorized; and
  - 2) the technology provider's employees or contractors may be authorized to access educational data only if access is necessary to fulfill the official duties of the employee or contractor.
- F. All educational data created, received, maintained, or disseminated by a technology provider pursuant or incidental to a contract with a public educational agency or institution are not the technology provider's property.

#### **XIV. SCHOOL-ISSUED DEVICES**

- A. "School-issued device" means hardware or software that the school district, acting independently or with a technology provider, provides to an individual student for that student's dedicated personal use. A school-issued device includes a device issued through a one-to-one program.
- B. Except as provided in paragraph C, the school district or a technology provider must not electronically access or monitor:
  - 1) any location-tracking feature of a school-issued device;
  - 2) any audio or visual receiving, transmitting, or recording feature of a school-issued device; or
  - 3) student interactions with a school-issued device, including but not limited to keystrokes and web-browsing activity.
- C. The school district or a technology provider may only engage in activities prohibited by paragraph B if:
  - 1) the activity is limited to a noncommercial educational purpose for instruction, technical support, or exam-proctoring by school district employees, student teachers, staff contracted by the school district, a vendor, or the Minnesota Department of Education, and notice is provided in advance;
  - 2) the activity is permitted under a judicial warrant;
  - 3) the school district is notified or becomes aware that the device is missing or stolen;
  - 4) the activity is necessary to respond to an imminent threat to life or safety and the access is limited to that purpose;
  - 5) the activity is necessary to comply with federal or state law, including but not limited to Minnesota Statutes section 121A.031; or
  - 6) the activity is necessary to participate in federal or state funding programs, including but not limited to the E-Rate program.
- D. If the school district or a technology provider interacts with a school-issued device as provided in paragraph C, clause 4, it must, within 72 hours of the access, notify the student to whom the school-issued device was issued or that student's parent and provide a written description of the interaction, including which features of the device were accessed and a description of the threat. This

notice is not required at any time when the notice itself would pose an imminent threat to life or safety, but must instead be given within 72 hours after that imminent threat has ceased.

## **XV. MULTI-FACTOR AUTHENTICATION FOR STAFF**

- A. Multi-Factor Authentication (MFA) is a process that requires that the person attempting to access a computer resource provide a one-time code, or positive approval of the login using an out-of-band verification device such as a cellular telephone, mobile telephone application, or physical token. MFA is used by Big Lake School District as a supplement to strong passwords to authenticate users and authorize their access to resources such as Email, Strage Servers, and the campus Virtual Private Network (VPN) connection. MFA protects against unauthorized access to Big Lake School District accounts and is necessary for appropriate information security measures.
- B. It is the responsibility of the Big Lake School District account holder to make appropriate provisions to receive MFA confirmation codes via SMS text message, installation of required software, or using methods deemed appropriate by the Technology Department to ensure verification. If provisions are not made to comply with the Big Lake School District Technology Acceptable Use- Staff policy, the user will not be able to access protected resources until these provisions are made

## **XVI. IMPLEMENTATION; POLICY REVIEW**

- A. The school district administration may develop appropriate user notification forms, guidelines, and procedures necessary to implement this policy for submission to the school board for approval. Upon approval by the school board, such guidelines, forms, and procedures shall be an addendum to this policy.
- B. The administration shall revise the user notifications, including student and parent notifications, if necessary, to reflect the adoption of these guidelines and procedures.
- C. The school district Internet policies and procedures are available for review by all parents, guardians, staff, and members of the community.
- D. Because of the rapid changes in the development of the Internet, the school board shall conduct an annual review of this policy.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. § 13.32 (Educational Data)  
15 U.S.C. § 6501 *et seq.* (Children’s Online Privacy Protection Act)  
17 U.S.C. § 101 *et seq.* (Copyrights)  
20 U.S.C. § 6751 *et seq.* (Enhancing Education through Technology Act of 2001)  
47 U.S.C. § 254 (Children’s Internet Protection Act of 2000 (CIPA))  
47 C.F.R. § 54.520 (FCC rules implementing CIPA)  
Minn. Stat. § 121A.0695 (School Board Policy; Prohibiting Intimidation and Bullying)  
Minn. Stat. § 125B.15 (Internet Access for Students)  
Minn. Stat. § 125B.26 (Telecommunications/Internet Access Equity Act)  
*Tinker v. Des Moines Indep. Cmty. Sch. Dist.*, 393 U.S. 503, 89 S.Ct. 733, 21 L.Ed.2d 731 (1969)  
*United States v. Amer. Library Assoc.*, 539 U.S. 194, 123 S.Ct. 2297, 56 L.Ed.2d 221 (2003)

*Sagehorn v. Indep. Sch. Dist. No. 728*, 122 F.Supp.2d 842 (D. Minn. 2015)  
~~*Doninger v. Niehoff*, 527 F.3d 41 (2<sup>nd</sup> Cir. 2008)~~  
*R.S. v. Minnewaska Area Sch. Dist. No. 2149*, No. 12-588, 2012 WL 3870868 (D. Minn. 2012)  
*Tatro v. Univ. of Minnesota*, 800 N.W.2d 811 (Minn. App. 2011), *aff'd* on other grounds 816 N.W.2d 509 (Minn. 2012)  
*S.J.W. v. Lee's Summit R-7 Sch. Dist.*, 696 F.3d 771 (8<sup>th</sup> Cir. 2012)  
*Parents, Families and Friends of Lesbians and Gays, Inc. v. Camdenton R-III Sch. Dist.*, 853 F.Supp.2d 888 (W.D. Mo. 2012)  
*M.T. v. Cent. York Sch. Dist.*, 937 A.2d 538 (Pa. Commw. Ct. 2007)

**Cross References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 505 (Distribution of Nonschool-Sponsored Materials on School Premises by Students and Employees)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Title IX Sex Nondiscrimination Grievance Procedures and Process)  
MSBA/MASA Model Policy 603 (Curriculum Development)  
MSBA/MASA Model Policy 604 (Instructional Curriculum)  
MSBA/MASA Model Policy 606 (Textbooks and Instructional Materials)  
MSBA/MASA Model Policy 806 (Crisis Management Policy)  
MSBA/MASA Model Policy 904 (Distribution of Materials on School District Property by Nonschool Persons)

**INTERNET USE AGREEMENT - STUDENT**

**STUDENT**

I have read and do understand the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to abide by them. I further understand that should I commit any violation, my access privileges may be revoked, school disciplinary action may be taken, and/or appropriate legal action may be taken.

User's Full Name (please print): \_\_\_\_\_

User Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PARENT OR GUARDIAN**

As the parent or guardian of this student, I have read the school district policies relating to safety and acceptable use of the school district computer system and the Internet. I understand that this access is designed for educational purposes. The school district has taken precautions to eliminate controversial material. However, I also recognize it is impossible for the school district to restrict access to all controversial materials and I will not hold the school district or its employees or agents responsible for materials acquired on the Internet. Further, I accept full responsibility for supervision if and when my child's use is not in a school setting. I hereby give permission to issue an account for my child and certify that the information contained on this form is correct.

Parent or Guardian's Name (please print): \_\_\_\_\_

Parent or Guardian's Signature: \_\_\_\_\_

**SUPERVISING TEACHER**

(Must be signed if applicant is a student)

I have read the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to promote these policies with the student. Because the student may use the Internet on the school district computer system for individual work or in the context of another class, I cannot be held responsible for the student's use of the Internet on network. As the supervising teacher I do agree to instruct the student on acceptable use of the Internet and network and proper network etiquette.

Teacher's Name (please print): \_\_\_\_\_

Teacher's Signature: \_\_\_\_\_

**INTERNET USE AGREEMENT - EMPLOYEE**

**SCHOOL DISTRICT EMPLOYEE**

I have read and do understand the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to abide by them. I further understand that should I commit any violation, my access privileges may be revoked, school disciplinary action may be taken, and/or appropriate legal action may be taken.

User's Full Name (please print): \_\_\_\_\_

User Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## SCHOOL DISTRICT CURRICULUM AND INSTRUCTION GOALS

### I. PURPOSE

The purpose of this policy is to establish broad curriculum parameters for the school district that encompass the Minnesota Academic Standards and federal law and are aligned with creating the world's best workforce.

### II. GENERAL STATEMENT OF POLICY

The policy of the school district is to establish the "world's best workforce" in which all learning in the school district should be directed and for which all school district learners should be held accountable.

### III. DEFINITIONS

- A. "Academic standard" means a summary description of student learning in a required content area or elective content area.
- B. "Benchmark" means specific knowledge or skill that a student must master to complete part of an academic standard by the end of the grade level or grade band.
- C. "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge, skills, and career and college readiness.
- D. "Instruction" means methods of providing learning experiences that enable students to meet state and district academic standards and graduation requirements.
- E. "Performance measures" are measures to determine school district and school site progress in striving to create the world's best workforce and must include at least the following:
  - 1) the size of the academic achievement gap and rigorous course taking, including college level advanced placement, international baccalaureate, postsecondary enrollment options, including concurrent enrollment, other rigorous courses of study or industry certification courses or programs, and enrichment experiences by student subgroup;
  - 2) student performance on the Minnesota Comprehensive Assessments;
  - 3) high school graduation rates; and
  - 4) career and college readiness under Minnesota Statutes section 120B.30, subdivision 1
- F. "World's best workforce" means striving to: meet school readiness goals; have all third-grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.
- G. "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

### IV. LONG-TERM STRATEGIC PLAN

- A. The school board, at a public meeting, shall adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes the following:

- 1) clearly defined school district and school site goals and benchmarks for instruction and student achievement for all student categories identified in state and federal law;
  - 2) a process to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students for participation in gifted and talented programs and accelerate their instruction, adopt procedures for early admission to kindergarten or first grade of gifted and talented learners which are sensitive to under-represented groups, and identify the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;
  - 3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, taking into account strategies and best practices, student outcomes, principal evaluations under Minnesota Statutes section 123B.147, subdivision 3, students' access to effective teachers who are members of populations under-represented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under Minnesota Statutes section 120B.35, subdivision 3(b)(2), and teacher evaluations under Minnesota Statutes section 122A.40, Subd. 8, or 122A.41, subdivision 5;
  - 4) strategies for improving instruction, curriculum, and student achievement, including the English and, where practicable, the native language development and the academic achievement of English learners;
  - 5) a process to examine the equitable distribution of teachers and strategies to ensure low-income and minority children are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers;
  - 6) education effectiveness practices that integrate high-quality instruction, rigorous curriculum, technology, and a collaborative professional culture that develops and supports teacher quality, performance, and effectiveness; and
  - 7) an annual budget for continuing to implement the school district plan.
- B. School district site and school site goals shall include the following:
- 1) All students will be required to demonstrate essential skills to effectively participate in lifelong learning. These skills include the following:
    - a. reading, writing, speaking, listening, and viewing in the English language;
    - b. mathematical and scientific concepts;
    - c. locating, organizing, communicating, and evaluating information and developing methods of inquiry (i.e., problem solving);
    - d. creative and critical thinking, decision making, and study skills;
    - e. work readiness skills;
    - f. global and cultural understanding.
    - g. civic responsibility
  - 2) Each student will have the opportunity and will be expected to develop and apply essential knowledge that enables that student to:
    - a. live as a responsible, productive citizen and consumer within local, state, national, and global political, social, and economic systems;
    - b. bring many perspectives, including historical, to contemporary issues;
    - c. develop an appreciation and respect for democratic institutions;
    - d. communicate and relate effectively in languages and with cultures other than the student's own;
    - e. practice stewardship of the land, natural resources, and environment;
    - f. use a variety of tools and technology to gather and use information, enhance learning, solve problems, and increase human productivity.
  - 3) Students will have the opportunity to develop creativity and self-expression through visual and verbal images, music, literature, world languages, movement, and the

- performing arts.
  - 4) School practices and instruction will be directed toward developing within each student a positive self-image and a sense of personal responsibility for:
    - a. establishing and achieving personal and career goals;
    - b. adapting to change;
    - c. leading a healthy and fulfilling life, both physically and mentally;
    - d. living a life that will contribute to the well-being of society;
    - e. becoming a self-directed learner;
    - f. exercising ethical behavior.
  - 5) Students will be given the opportunity to acquire human relations skills necessary to:
    - a. appreciate, understand, and accept human diversity and interdependence;
    - b. address human problems through team effort;
    - c. resolve conflicts with and among others;
    - d. function constructively within a family unit;
    - e. promote a multicultural, gender-fair, disability-sensitive society.
- C. Every child is reading at or above grade level no later than the end of grade 3, including English learners, and teachers provide comprehensive, scientifically based reading instruction, including a program or collection of instructional practices that is based on valid, replicable evidence showing that, when the programs or practices are used, students can be expected to achieve, at a minimum, satisfactory reading progress. The program or collection of practices must include, at a minimum, effective, balanced instruction in all five areas of reading (phonemic awareness, phonics, fluency, vocabulary development, and reading comprehension), as well as instructional strategies for continuously assessing, evaluating, and communicating the student's reading progress and needs.
- 1) The school district shall identify, before the end of kindergarten, grade 1, and grade 2, students who are not reading at grade level before the end of the current school year. Students identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2 must be screened for characteristics of dyslexia, unless a different reason for the reading difficulty has been identified.
  - 2) Students in grade 3 or higher who demonstrate a reading difficulty to a classroom teacher must be screened for characteristics of dyslexia, unless a different reason for the reading difficulty has been identified.
  - 3) Reading assessments in English and in the predominant languages of district students, where practicable, must identify and evaluate students' areas of academic need related to literacy. The school district also must monitor the progress and provide reading instruction appropriate to the specific needs of English learners. The school district must use locally adopted, developmentally appropriate, and culturally responsive assessment and annually report summary assessment results to the Commissioner of Education by July 1.
  - 4) The school district must annually report to the Commissioner of Education by July 1 a summary of the district's efforts to screen and identify students who demonstrate characteristics of dyslexia using screening tools such as those recommended by the Minnesota Department of Education's dyslexia specialist. With respect to students screened or identified under paragraph (1), the report must include:
    - a. a summary of the district's efforts to screen for dyslexia;
    - b. the number of students screened for that reporting year; and
    - c. the number of students demonstrating characteristics of dyslexia for that year.
  - 5) A student identified as having a reading difficulty must be provided with alternate instruction under Minnesota Statutes section 125A.56, subdivision 1.
  - 6) At least annually, the school district must give the parent of each student who is not reading at or above grade level timely information about:

- a. the student's reading proficiency as measured by a locally adopted assessment;
- b. reading-related services currently being provided to the student; and the student's progress; and
- c. strategies for parents to use at home in helping their students succeed in becoming grade-level proficient in reading English and their native languages.

This provision may not be used to deny a student's right to a special education evaluation.

- 7) For each student who is not reading at or above grade level, the school district shall provide reading intervention to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and school year. Intervention methods shall encourage family engagement and, where possible, collaboration with appropriate school and community programs. If a student does not read at or above grade level by the end of grade 3, the school district must continue to provide reading intervention until the student reads at grade level. Intervention methods shall encourage family engagement and, where possible, collaboration with appropriate school and community programs. Intervention methods may include, but are not limited to, requiring attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day, extended day programs, or programs that strengthen students' cultural connections.
- 8) The school district may provide a personal learning plan for a student who is unable to demonstrate grade-level proficiency, as measured by the statewide reading assessment in grade 3. The school district will determine the format of the personal learning plan in collaboration with the student's educators and other appropriate professionals. The school district will develop the personal learning plan in consultation with the student's parent or guardian. The personal learning plan will address knowledge gaps and skill deficiencies through strategies such as specific exercises and practices during and outside of the school day, periodic assessments, and reasonable timelines. The personal learning plan may include grade retention if it is in the student's best interest. The student's school will maintain and regularly update and modify the personal learning plan until the student reads at grade level. This paragraph does not apply to a student under an Individualized Education Program.

**Legal References:** Minn. Stat. § 120B.018 (Definitions)

Minn. Stat. § 120B.02 (Educational Expectations and Graduation Requirements for Minnesota Students)

Minn. Stat. § 120B.11 (School District Process for Reviewing Curriculum, Instruction, and Student Achievement; Striving for the World's Best Workforce)

Minn. Stat. § 120B.12 (Reading Proficiently no Later than the End of Grade 3)

Minn. Stat. § 120B.30, Subd. 1 (Statewide Testing and Reporting System)

Minn. Stat. § 120B.35, Subd. 3 (Student Academic Achievement and Growth)

Minn. Stat. § 122A.40, Subd. 8 (Employment; Contracts; Termination)

Minn. Stat. § 122A.41, Subd. 5 (Teacher Tenure Act; Cities of the First Class; Definitions)

Minn. Stat. § 123B.147, Subd. 3 (Principals)

Minn. Stat. § 125A.56, Subd. 1 (Alternate Instruction Required before Assessment Referral)

20 U.S.C. § 5801, *et seq.* (National Education Goals)

20 U.S.C. § 6301, *et seq.* (Every Student Succeeds Act)

**Cross References:** MSBA/MASA Model Policy 104 (School District Mission Statement)

MSBA/MASA Model Policy 613 (Graduation Requirements)  
MSBA/MASA Model Policy 614 (School District Testing Plan and Procedure)  
MSBA/MASA Model Policy 615 (Testing Accommodations, Modifications, and Exemptions for IEPs, Section 504 Plans, and LEP Students)  
MSBA/MASA Model Policy 616 (School District System Accountability)  
MSBA/MASA Model Policy 618 (Assessment of Student Achievement)

## **VISITORS TO SCHOOL DISTRICT BUILDINGS AND SITES**

### **I. PURPOSE**

The purpose of this policy is to inform the school community and the general public of the position of the school board on visitors to school buildings and other school property.

### **II. GENERAL STATEMENT OF POLICY**

A. The school board encourages interest on the part of parents and community members in school programs and student activities. The school board welcomes visits to school buildings and school property by parents and community members provided the visits are consistent with the health, education and safety of students and employees and are conducted within the procedures and requirements established by the school district.

B. The school board reaffirms its position on the importance of maintaining a school environment that is safe for students and employees and free of activity that may be disruptive to the student learning process or employee working environment.

### **III. POST-SECONDARY, ONLINE, AND APPRENTICESHIP STUDENTS**

A. A student enrolled in a post-secondary, online, or apprenticeship program may remain at the school site during regular school hours in accordance with established procedures.

B. A student enrolled in a post-secondary, online, or apprenticeship program may be provided with reasonable access, during regular school hours, to a computer and other technology resources that the student needs to complete coursework for a post-secondary, online, or apprenticeship course in accordance with established procedures.

### **IV. RESPONSIBILITY**

A. The school district administration shall present recommended visitor and post-secondary enrollment options student procedures and requirements to the school board for review and approval. The procedures should reflect input from employees, students and advisory groups, and shall be communicated to the school community and the general public. Upon approval by the school board, such procedures and requirements shall be an addendum to this policy.

B. The superintendent shall be responsible for providing coordination that may be needed throughout the process and providing for periodic school board review and approval of the procedures.

### **V. VISITOR LIMITATIONS**

A. An individual, post-secondary, online, or apprenticeship student, or group may be denied permission to visit a school or school property or such permission may be revoked if the visitor(s) does not comply with the school district procedures and regulations or if the visit is not in the best interest of students, employees or the school district. A person may be excluded from any interscholastic athletic activity if the person assaults a sports official in connection with an activity.

B. Visitors, including post-secondary, online, or apprenticeship students, are authorized to park vehicles on school property at times and in locations specified in the approved visitor procedures and requirements or as otherwise specifically authorized by school officials. When unauthorized vehicles of visitors are parked on school property, school officials may:

- move the vehicle or require the driver or other person in charge of the vehicle to move it off school district property; or if unattended, provide for the removal of the vehicle, at the expense of the owner or operator, to the nearest convenient garage or other place of safety off of school property.

C. An individual, post-secondary, online, or apprenticeship student, or group who enters school property, including a school bus, without complying with the procedures and requirements and who is directed by a school principal, bus operator or school employee designated to maintain order on school property, may be guilty of criminal trespass and thus subject to arrest and criminal penalty. Such persons may be detained by the school principal or a person designated by the school principal in a reasonable manner for a reasonable period of time pending the arrival of a police officer.

***Legal References:*** Minn. Stat. § 123B.02 (General Powers of Independent School Districts)  
Minn. Stat. § 124D.09 (Postsecondary Enrollment Options Act)  
Minn. Stat. § 128C.08 (Assaulting a Sports Official Prohibited)  
Minn. Stat. § 609.605, Subds. 4 (Trespass)

The following resolution was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION ACCEPTING DONATIONS**

WHEREAS, Minnesota Statutes 123B.02, Subd. 6 provides: “The board may receive, for the benefit of the district, bequests, donations, or gifts for any proper purpose and apply the same to the purpose designated. In that behalf, the board may act as trustee of any trust created for the benefit of the district, or for the benefit of pupils thereof, including trusts created to provide pupils of the district with advanced education after completion of high school, in the advancement of education.”; and

WHEREAS, Minnesota Statutes 465.03 provides: “Any city, county, school district or town may accept a grant or devise of real or personal property and maintain such property for the benefit of its citizens in accordance with the terms prescribed by the donor. Nothing herein shall authorize such acceptance or use for religious or sectarian purposes. Every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full.”; and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full;

THEREFORE, BE IT RESOLVED, that the School Board of Big Lake Schools, ISD 727, gratefully accepts the following donations as identified below:

Donor	Item	Designated Purpose (if any)
Lenette Brown	Snacks valued at \$123.00	For students in need at Independence Elementary STEM
Bounce Back Project	Simple Dimple fidgets for staff valued at \$385.00	For staff to utilize to support their own resilience
IOUE Local 49	Use of two excavator simulators	Sandbox class
Brenteson Companies	Helped plan the SWPPP, site inspections, and MPCA permits	Sandbox class
Veit	Use of a mini excavator and Bio Log	Sandbox class
RDO Equipment	Use of two 35G mini excavator	Sandbox class

The vote on adoption of the Resolution was as follows:

Aye:

Nay:

Absent:

Whereupon, said Resolution was declared duly adopted on November 17, 2022.

**Independent School District No. 727  
Big Lake, Minnesota**

**Basic Financial Statements**

**June 30, 2022**

**Independent School District No. 727  
Table of Contents**

<b>Board of Education and Administration</b>	1
<b>Independent Auditor’s Report</b>	2
<b>Management’s Discussion and Analysis</b>	5
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements	
Statement of Net Position	22
Statement of Activities	24
Fund Financial Statements	
Balance Sheet – Governmental Funds	25
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	26
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	27
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances to the Statement of Activities – Governmental Funds	28
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	29
Statement of Fiduciary Net Position	30
Statement of Changes in Fiduciary Net Position	30
Notes to Basic Financial Statements	31
<b>Required Supplementary Information</b>	
Schedule of Changes in Net OPEB Liability and Related Ratios	70
Schedule of Employer Contributions – OPEB	72
Schedule of Investment Returns	74
Schedule of District’s and Non-Employer Proportionate Share of Net Pension Liability General Employees Plan Retirement Fund	75
Schedule of District’s and Non-Employer Proportionate Share of Net Pension Liability TRA Retirement Fund	75
Schedule of District Contributions General Employees Plan Retirement Fund	76
Schedule of District Contributions TRA Retirement Fund	76
Notes to Required Supplementary Information	77
<b>Supplementary Information</b>	
Combining Balance Sheet – Nonmajor Governmental Funds	86
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	87
Detailed Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	88
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Food Service Fund	91

**Independent School District No. 727  
Table of Contents**

**Supplementary Information (Continued)**

Statement of Revenues, Expenditures, and Changes in Fund Balance	
– Budget and Actual – Community Service Fund	92
Uniform Financial Accounting and Reporting Standards Compliance Table	93
Schedule of Expenditures of Federal Awards	94
Notes to the Schedule of Expenditures of Federal Awards	95
<b>Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards</b>	97
<b>Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance</b>	99
<b>Schedule of Findings and Questioned Costs in Accordance with the Uniform Guidance</b>	102
<b>Minnesota Legal Compliance</b>	107

**Independent School District No. 727  
Board of Education and Administration  
June 30, 2022**

<u>Board of Education</u>	<u>Position</u>	<u>Term Expires</u>
Tonya Reasoner	Chairperson	December 31, 2022
Amber Sixberry	Treasurer	December 31, 2024
Tony Scales	Clerk	December 31, 2024
Lenette Brown	Director	December 31, 2022
Derek Nelson	Director	December 31, 2024
Dan Nygaard	Director	December 31, 2022
 <u>Administration</u> 		
Tim Truebenbach	Superintendent	
Angie Manuel	Director of Business Services	
Robert Dockendorf	High School Principal	
Mark Ernst	Middle School Principal	
Caryl Gordy	Liberty Elementary Principal	
Jona Deveal	Independence Elementary Principal	

## Independent Auditor's Report

To the School Board  
Independent School District No. 727  
Big Lake, Minnesota

### **Report on the Audit of the Financial Statements**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 727, Big Lake, MN, as of and for the year ended June 30, 2022, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 727, as of June 30, 2022, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Independent School District No. 727 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter – Implementation of GASB 87**

The District has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

The management of Independent School District No. 727 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

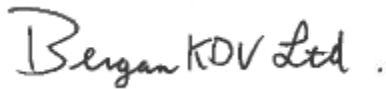
### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Minneapolis, Minnesota  
November 8, 2022

## **Independent School District No. 727 Management's Discussion and Analysis**

This section of the District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the District's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2021-2022 fiscal year include the following:

- Net Position increased from \$(1,448,340) to \$3,077,865 an increase of \$4,526,205 due to improvement in the District's operating fund balances as well as a decrease in pension liabilities.
- General Fund revenues were \$39,031,928 as compared to expenditures of \$38,516,125 for revenues over expenditures of \$515,803
- Total General Fund balance increased \$543,581. Unassigned General Fund Balance remained consistent by only increasing \$49,927. Restricted and Committed/Assigned Fund balances increased by \$589,498 due to multi-year planning of capital and technology projects, receipt of one time monies to be spent in future fiscal years, and set aside for severance obligations. Nonspendable Fund balance decreased by \$95,844.
- The District increased its long-term liabilities by \$17,089,129 mainly as a result of the successful passage of the November 2021 bond referendum to finance various deferred capital projects and renovations to educational spaces.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the annual report consists of four parts: Independent Auditor's Report, required supplementary information which includes the MD&A (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.

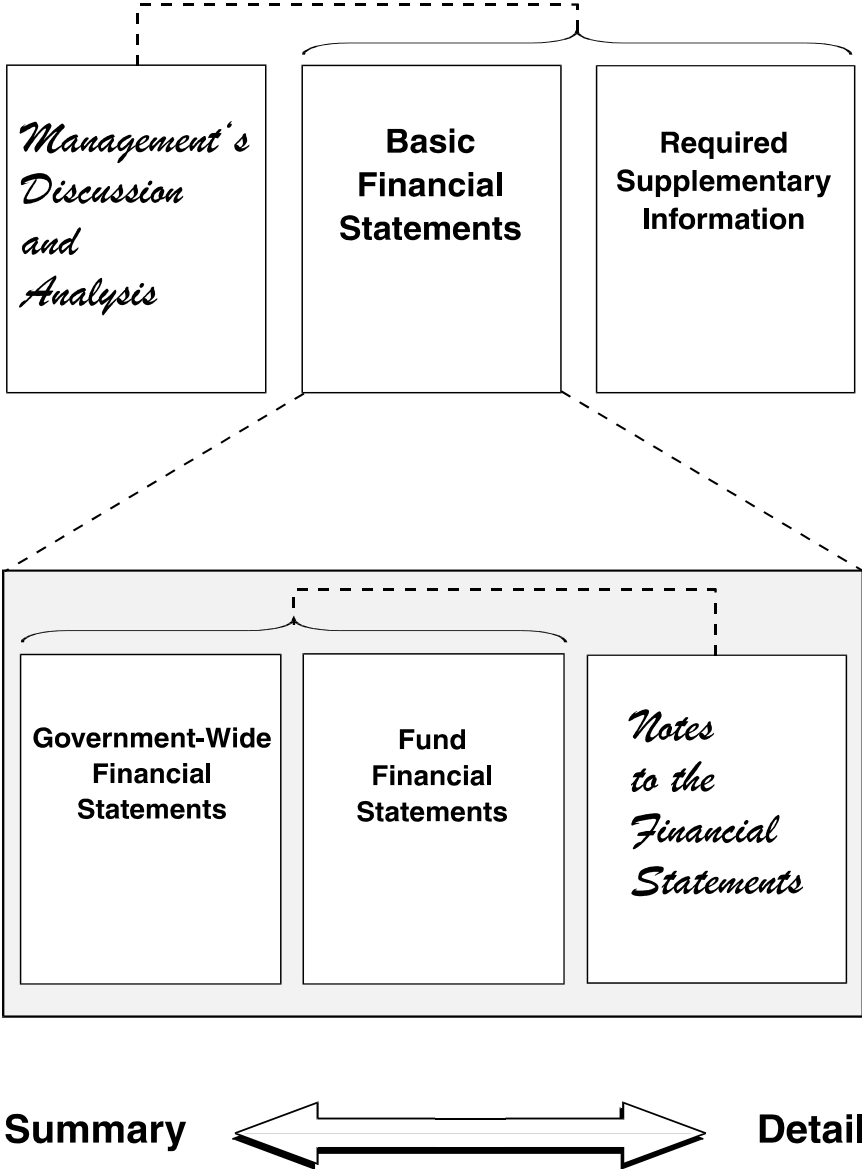
**Independent School District No. 727  
Management's Discussion and Analysis**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Annual Report Format**



**Independent School District No. 727  
Management's Discussion and Analysis**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the MD&A highlights the structure and contents of each of the statements.

<b>Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements</b>				
Type of Statements	Government-wide	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District's government (except fiduciary funds) and the Districts Component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses	Instances in which the district is the trustee or agent for someone else's resources
Required financial statements	♦ Statement of net position	♦ Balance sheet	♦ Statement of net position	♦ Statement of fiduciary net position
	♦ Statement of activities	♦ Statement of revenues, expenditures, & changes in fund balances	♦ Statement of changes in net position	♦ Statement of changes in fiduciary net assets
			♦ Statement of cash flows	
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the District's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**Government-Wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District's Net Position and how they have changed. Net Position: the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's Net Position are an indicator of whether its financial position is improving or deteriorating, respectively.

## **Independent School District No. 727 Management's Discussion and Analysis**

### **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

#### **Government-Wide Statements (Continued)**

To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are shown in one category:

- **Governmental Activities:** Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services and community education. Property taxes and state aids finance most of these activities.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District may establish other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The District has two types of funds:

- **Governmental Funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- **Fiduciary Funds:** The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only by those to whom the assets belong. The District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

**Independent School District No. 727  
Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net Position**

The District's combined Net Position was \$3,077,865 on June 30, 2022, an increase of \$4,526,205. (See Table A-1) This increase is mainly the result of an improvement in the total general fund balance and a decrease in pension liabilities. The fluctuations in the deferred outflows and deferred inflows of resources are related to various TRA and PERA state pension differences and changes in assumptions and proportion. Increase in current and other assets and long-term liabilities is a result of investments and debt related to the sale of the 2022A School Building Bonds.

**Table A-1**

	Governmental Activities		Percentage Change
	2022	2021	
Current and other assets	\$ 60,111,716	\$ 36,734,170	63.64%
Capital and noncurrent assets	68,108,893	63,376,978	7.47%
Total assets	<u>128,220,609</u>	<u>100,111,148</u>	<u>28.08%</u>
Deferred outflows of resources	<u>9,093,134</u>	<u>9,819,235</u>	<u>-7.39%</u>
Current liabilities	11,224,339	12,507,128	-10.26%
Long-term liabilities	<u>87,030,032</u>	<u>69,940,903</u>	<u>24.43%</u>
Total liabilities	98,254,371	82,448,031	19.17%
Deferred inflows of resources	<u>35,981,507</u>	<u>28,930,692</u>	<u>24.37%</u>
Net position			
Invested in capital assets, net of related debt	20,126,657	17,986,139	11.90%
Restricted	4,425,768	4,105,451	7.80%
Unrestricted	<u>(21,474,560)</u>	<u>(23,539,930)</u>	<u>8.77%</u>
Net position	<u>\$ 3,077,865</u>	<u>\$ (1,448,340)</u>	<u>312.51%</u>

**Changes in Net Position**

The District's total revenues were \$49,438,641 for the year ended June 30, 2022. Property taxes, unrestricted state formula aid, and other revenue accounted for 70% of total revenue for the year (See Figure A-3). The remaining 30% came from other program revenues (charges for services, operating and capital grants, and contributions). Investment earnings are negative due to the rapidly rising interest rate environment at June 30<sup>th</sup>, 2022. Operating grants increased due to the receipt of more pandemic related grants from the federal government. And charges for services increased to pre-pandemic levels with the 100% return to in person learning in 21-22.

**Independent School District No. 727  
Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)**

**Table A-2 Change in Net Position**

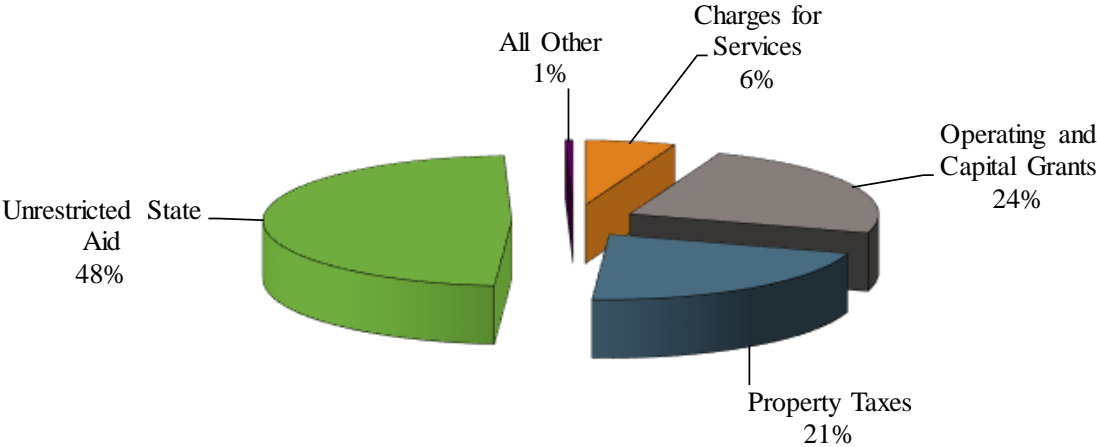
**Table A-2  
Change in Net Position**

	Governmental Activities for the Fiscal Year Ended June 30,		Total Percentage Change
	2022	2021	
<b>Revenues</b>			
<b>Program revenues</b>			
Charges for services	\$ 2,921,567	\$ 2,165,760	34.90%
Operating grants and contributions	10,798,798	9,650,100	11.90%
Capital grants and contributions	1,119,494	1,048,197	6.80%
<b>General revenues</b>			
Property taxes	10,681,622	10,544,723	1.30%
Unrestricted state aid	24,165,787	22,898,122	5.54%
Investment earnings	(297,751)	75,754	-493.05%
Other	49,124	49,949	-1.65%
Total revenues	<u>49,438,641</u>	<u>46,432,605</u>	<u>6.47%</u>
<b>Expenses</b>			
Administration	1,381,199	1,382,632	-0.10%
District support services	1,192,795	1,082,117	10.23%
Regular instruction	17,348,374	18,115,859	-4.24%
Vocational education instruction	594,864	675,998	-12.00%
Special education instruction	7,947,625	7,939,332	0.10%
Instructional support services	2,325,981	2,816,760	-17.42%
Pupil support services	3,290,563	2,868,407	14.72%
Sites and buildings	4,952,753	4,482,422	10.49%
Fiscal and other fixed cost programs	193,238	209,634	-7.82%
Food service	1,980,589	1,401,260	41.34%
Community service	2,327,645	1,788,402	30.15%
Interest and fiscal charges on Long-term liabilities	1,376,810	1,092,513	26.02%
Total expenses	<u>44,912,436</u>	<u>43,855,336</u>	<u>2.41%</u>
<b>Increase (decrease) in net position</b>	<u>4,526,205</u>	<u>2,577,269</u>	75.62%
<b>Beginning net position</b>	(1,448,340)	(4,025,609)	
<b>Ending net position</b>	<u>\$ 3,077,865</u>	<u>\$ (1,448,340)</u>	

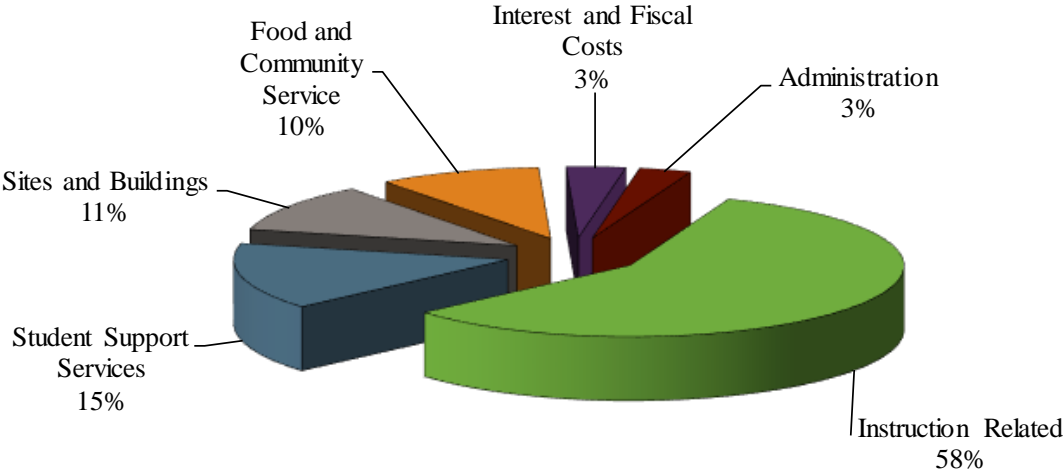
**Independent School District No. 727  
Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)**

**Figure A-3 Sources of District Revenue for Fiscal 2022**



**Figure A-4 District Expenses for Fiscal 2022**



The total cost of all programs and services was \$44,912,436 for fiscal year 2022. The District's expenses are predominately related to educating and caring for students (73%). (See Figure A-4). Another 3% of expenses are related to interest and fiscal costs for the District's bonds. Another 11% supports the facilities maintenance needs of the entire District. Only 3% of costs are for administration. Finally, 10% of total expenses are for food and community service programs.

**Independent School District No. 727  
Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)**

The cost of all governmental activities this year was \$44,912,436.

- Some of the cost was paid by the users of the District's programs (\$2,921,567).
- The federal and state governments subsidized certain programs with grants and contributions (\$11,918,292).
- Most of the District's costs (\$34,847,409); however, were paid for by District taxpayers and taxpayers of the State of Minnesota.

Typically the District does not incorporate funds allocated to direct instruction as part of an analysis of expenditures in all governmental funds. Funding for general operation of the District is controlled by the state and the District does not have latitude to allocate money received from entrepreneurial-type funds like Food Service and Community Education. Therefore, a more accurate analysis would be limited to the allocation of resources received for the general operation of the District and would show that 73% of those resources are spent on instruction and support services associated with education.

**Table A-3  
Program Expenses and Net Cost of Services**

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2022	2021		2022	2021	
Administration	\$ 1,381,199	\$ 1,382,632	-0.10%	\$ 1,381,199	\$ 1,382,632	-0.10%
District support services	1,192,795	1,082,117	10.23%	1,191,285	1,071,437	11.19%
Regular instruction	17,348,374	18,115,859	-4.24%	13,756,053	14,419,419	-4.60%
Vocational education instruction	594,864	675,998	-12.00%	553,923	623,853	-11.21%
Special education instruction	7,947,625	7,939,332	0.10%	3,701,343	3,703,492	-0.06%
Instructional support services	2,325,981	2,816,760	-17.42%	1,432,170	1,728,450	-17.14%
Pupil support services	3,290,563	2,868,407	14.72%	2,723,856	2,744,643	-0.76%
Sites and buildings	4,952,753	4,482,422	10.49%	4,219,274	3,797,065	11.12%
Fiscal and other fixed cost programs	193,238	209,634	-7.82%	193,238	209,634	-7.82%
Food service	1,980,589	1,401,260	41.34%	(384,088)	186,050	-306.44%
Community service	2,327,645	1,788,402	30.15%	(72,486)	32,091	-325.88%
Interest and fiscal charges on long-term liabilities	1,376,810	1,092,513	26.02%	1,376,810	1,092,513	26.02%
<b>Total</b>	<b>\$44,912,436</b>	<b>\$43,855,336</b>	<b>2.41%</b>	<b>\$30,072,577</b>	<b>\$30,991,279</b>	<b>-2.96%</b>

## **Independent School District No. 727 Management's Discussion and Analysis**

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$42,733,289. Revenues for the District's governmental funds were \$49,590,311 while total expenditures were \$56,537,290, for a decrease of \$6,946,979. After other financing sources of \$30,731,628 the combined fund balance increased \$23,784,649, mainly as of result of the successful passage of the \$30 million bond referendum in November, 2021, which finances various deferred capital projects and renovations to educational spaces.

### **GENERAL FUND**

The General Fund includes the primary operations of the District in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The majority of General Fund revenue is generated by state general education aid. The basic formula allowance in 2022 was \$6,728 per adjusted marginal cost per pupil unit (AMCPU). Other factors that influence the general education aid formula include operating referendum allowance, age of school buildings, transportation sparsity index, percent of eligible free and reduced students, number of English Learner (EL) students, number of Gifted and Talented students, and number of open enrolled students in and out of the District. Total general education aid was \$ 25,429,129 which represents 65% of total General Fund revenue. The other major General Fund revenue is state special education aid. Total special education aid in 2022 was \$3,831,870, 10% of total General Fund revenue. Other state formulas then determine what portion of the general fund revenue will be provided by property taxes. Property taxes totaled \$5,104,980 13% of total General Fund revenue. In fiscal year 2022, pandemic related federal grants totaled \$1,221,601, 3% of total General Fund revenue. After factoring in general education aid, special education aid and property taxes, which are all formula driven, and pandemic related federal grants, only 9% of General Fund revenues are generated by other miscellaneous state aids, aid from the federal government and local revenues such as fees or sales.

### **GENERAL FUND - ENROLLMENT**

Enrollment is a critical factor in determining revenue with most of the General Fund revenue being determined by student counts. The chart on the next page indicates that enrollment decreased 2.75% in 2020-2021 because of the COVID-19 pandemic. With the return to 100% in person learning as well as the addition of K-5 and 6-12 Big Lake Online programming, enrollment increased 4.89% in 2021-2022. Enrollment reached a point not seen since 2015-2016 and was a determining factor in the positive general fund operational results in 2021-2022.

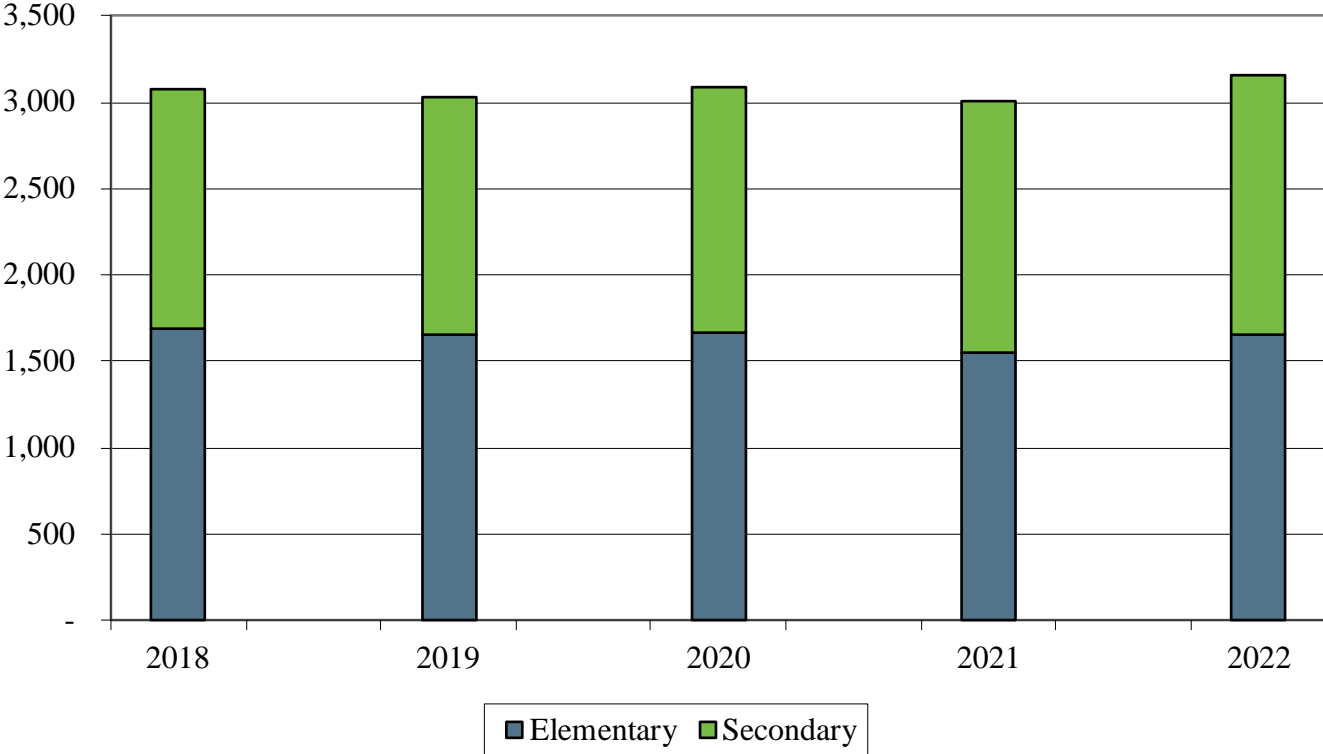
**Independent School District No. 727  
Management's Discussion and Analysis**

**GENERAL FUND – ENROLLMENT (CONTINUED)**

**Table A-4  
Five Year Enrollment Trend  
Average Daily Membership (ADM)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Elementary	1,686	1,649	1,668	1,545	1,656
Secondary	<u>1,391</u>	<u>1,377</u>	<u>1,423</u>	<u>1,461</u>	<u>1,497</u>
Total	<u><u>3,077</u></u>	<u><u>3,026</u></u>	<u><u>3,091</u></u>	<u><u>3,006</u></u>	<u><u>3,153</u></u>
		-1.66%	2.15%	-2.75%	4.89%

**Big Lake Public Schools  
Student Enrollment (in ADM's)**



**Independent School District No. 727  
Management's Discussion and Analysis**

**GENERAL FUND – REVENUES/EXPENDITURES**

The table below presents a summary of General Fund Revenues:

**Table A-5  
General Fund Revenues**

Fund	Year Ended		Change	
	June 30,		Increase (Decrease)	Percent
	2022	2021		
Local sources				
Property taxes	\$ 5,104,980	\$ 4,932,335	\$ 172,645	3.50%
Investment earnings	(43,020)	44,126	(87,146)	-197.49%
Other	1,083,035	1,060,318	22,717	2.14%
State sources	31,054,885	29,664,130	1,390,755	4.69%
Federal sources	1,832,048	1,658,060	173,988	10.49%
<b>Total</b>	<b>\$ 39,031,928</b>	<b>\$ 37,358,969</b>	<b>\$ 1,672,959</b>	<b>4.48%</b>

Revenues from the General Fund totaled \$39,031,928 an increase of 4.48% from the prior year. The negative investment earnings are a result of the rapidly rising interest rate environment at June 30<sup>th</sup>, 2022, and the drop in market value of many investments that had stated interest rates lower than what the market projected. The investment earnings loss will reverse in future periods as investments are held to maturity and reinvested at higher interest rates. State sources increased as result of the enrollment growth of 4.89% (see table A-4) resulting in a greater amount of general education aid. Federal aid increased because of more pandemic recovery grants and a COVID testing grant awarded to school districts across the state of Minnesota.

The following schedule presents a summary of General Fund Expenditures:

**Table A-6  
General Fund Expenditures**

	Year Ended		Change	
	June 30,		Increase (Decrease)	Percent
	2022	2021		
Salaries	\$ 22,553,857	\$ 21,106,016	\$ 1,447,841	6.86%
Employee benefits	8,427,698	8,046,695	381,003	4.73%
Purchased services	5,386,940	4,392,038	994,902	22.65%
Supplies and materials	1,480,396	2,006,431	(526,035)	-26.22%
Capital expenditures	549,828	401,414	148,414	36.97%
Debt service	57,457	57,457	-	0.00%
Other expenditures	59,949	92,309	(32,360)	-35.06%
<b>Total</b>	<b>\$ 38,516,125</b>	<b>\$ 36,102,360</b>	<b>\$ 2,413,765</b>	<b>6.69%</b>

## **Independent School District No. 727 Management's Discussion and Analysis**

### **GENERAL FUND – REVENUES/EXPENDITURES (CONTINUED)**

Total General Fund expenditures increased 6.69% from the prior year. Salaries and benefits increased because of contract increases and the addition of staff due to enrollment growth and increase in special ed population. Support staff funded by pandemic recovery grants were also added, which included two literacy interventionists and a social and emotional learning (SEL) coordinator. The purchased services increase is a result of increased transportation and utility costs due to the return of 100% in person learning in 2021-2022. The decrease in supplies and materials is due to the District implementing a 1:1 technology device initiative as a result of the COVID-19 pandemic in 2020-2021. Capital expenditures increased because a planned large capital project in the Middle School funded by the general fund.

Total General Fund balance increased \$543,581. Unassigned General Fund Balance increased by \$49,927. Restricted and Committed/Assigned Fund balances increased by \$589,498 due to multi-year planning of capital and technology projects, receipt of one time monies to be spent in future fiscal years, and set aside for severance obligations. Nonspendable Fund balance decreased by \$95,844. The Unassigned Fund Balance, or fund balance available for operations, is 20.4% of total General Fund expenditures.

Fund balance is the single best measure of overall financial health. It is the goal of the Big Lake Board of Education to maintain an unassigned fund balance of 8% of general fund operating expenditures. For the fiscal year ended June 30, 2022, the Big Lake School District is in compliance with that fund balance goal.

### **GENERAL FUND – BUDGETARY HIGHLIGHTS**

Actual revenues were \$334,567 over the final budget, an .8% variance. The variance is due to larger than expected general and special education aid and fundraising revenue that was not budgeted. Actual expenditures were \$704,445 under budget, a 1.7% variance. The expenditure variance is mainly the result of the timing of certain capital projects and less than expected salaries and benefits.

The General Fund budget is adjusted several times throughout the year for changes in enrollment, changes in special education funding assumptions, changes in other state aids, and expenditure changes such as staffing costs, transportation, utilities, and capital expenditures. In fiscal year 2022, revenue was adjusted for increased enrollment, changes in special education funding, and receipt of federal pandemic learning recovery grants. As for expenditures, the budget was changed throughout the year for changes in staffing and benefit assumptions, increased utilities expenditures, increase in transportation costs due to the addition of special education routes, and timing of capital projects.

### **DEBT SERVICE FUND**

The Debt Service Fund net change in fund balance was \$(323,299). Capitalized interest from prior year bond sales were required to be deposited in the debt service fund for future debt service payments, creating a negative change in 2021-2022. In addition, the District refinanced the 2012B bonds with the \$8,020,000 2021B bonds, reducing debt service payments by \$723,080 and a net present value benefit of \$704,754.

School districts in Minnesota are only allowed to keep 5% of the following year's bond principal and interest payments due in their ending fund balance. Any excess fund balance is returned to the local taxpayers in a subsequent year property tax levy.

**Independent School District No. 727  
Management's Discussion and Analysis**

**CAPITAL PROJECTS FUND**

In 2021-2022, after successful passage of the November 2021 bond referendum, the District issued \$30,000,000 in General Obligation Bonds to finance various deferred capital projects and renovations to educational spaces. Projects related to the bonds are expected to be completed over the next five years. In addition, Phase II of the Middle School HVAC project was near completion in 2021-2022.

**OTHER NON-MAJOR FUNDS**

The Food Service Fund balance increased \$504,100 for an ending fund balance of \$705,734. For the second year in a row, all meals were provided free to students because of a pandemic related waiver approved by the federal government. Federal rates paid to school districts were also substantially higher than in previous years. Meal counts substantially increased due to 100% return to person learning and the second year of free meals. The positive results in 2021-2022 will be reinvested back into the food program with planned replacement of outdated food service equipment over the next few years.

The Community Service Fund had a successful operational year with the return of in person programming. Youth and recreational programs increased significantly. The school age care and preschool programs experienced increased enrollment. As of result, the Community Service fund has positive results for the year of \$276,729. The ending fund balance of \$912,605 is being retained to keep program fees low and will also be used to reinvest in community education programming and offset the inadequate funding for school readiness programs. The ending fund balance represents approximately 37% of expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of 2022, the District had invested approximately \$111.5 million in a broad range of capital assets, including school buildings, athletic facilities and fields, computers, and other technology equipment. (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation expense for the year was \$2.6 million.

**Table A-7  
Capital Assets (Net of Accumulated Depreciation)**

	<u>2022</u>	<u>2021</u>	<u>Percentage Change</u>
Land	\$ 784,389	\$ 784,389	0.00%
Construction on progress	16,761,299	10,414,004	60.95%
Land improvements	6,354,706	6,757,833	-5.97%
Buildings and improvements	41,997,170	43,037,929	-2.42%
Equipment	2,211,329	2,382,823	-7.20%
 Total	 <u>\$ 68,108,893</u>	 <u>\$ 63,376,978</u>	 7.47%

**Independent School District No. 727  
Management's Discussion and Analysis**

**CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)**

Each year, departments review their machinery and equipment capital inventories. Disposals are then accounted for accordingly as items are sold or deemed obsolete. The overall increase in capital assets is a result of the addition of Construction in Progress from the Middle School heating, ventilation, and air conditioning project and Phase I of the capital projects funded by the 2022A School Building Bonds from the November 2021 bond referendum.

**Construction – Next Five Years**

On November 2<sup>nd</sup>, 2021, the Big Lake School District successfully passed a \$30 million bond referendum to restore and renew school facilities for future generations. Phase I of the referendum projects began in the spring and summer of 2022. Over the next five years the District will be repairing and replacing roofs at all buildings, improving air quality and adding air conditioning at Independence Elementary, updating career and technical education spaces, redesigning and improving media centers and special education spaces across the district, and redesign of Liberty elementary parking lot.

**LONG-TERM LIABILITIES**

At year-end, the District had \$75,627,084 in total long-term debt, an increase of 50.25% from last year, as shown in Table A-8. Included in this total, the District has \$306,308 in severance liabilities. More detailed information about long-term liabilities can be found in Note 4 to the financial statements.

**Table A-8  
Long-Term Liabilities**

	Total Cost of Services		Percentage Change
	2022	2021	
General obligation bonds	\$ 72,875,000	\$ 48,135,000	51.40%
Premium	2,250,673	1,620,309	38.90%
Capital lease	-	56,386	-100.00%
Severance payable	291,966	306,308	-4.68%
Compensated absences payable	209,418	215,803	-2.96%
 Total	 <u>\$ 75,627,057</u>	 <u>\$ 50,333,806</u>	 50.25%

General obligation bonds, and Premium on bonds increased 51.40% and 38.90%, respectively, due to the issuance of the 2022A General Obligation School Building Bonds. The capital lease is a technology lease that was paid in 2021-2022. Severance payable decreased 4.68% due to retirement of qualified employees from a closed retirement plan.

## **Independent School District No. 727 Management's Discussion and Analysis**

### **FACTORS BEARING ON THE DISTRICT'S FUTURE**

The number one factor bearing on the District's future is enrollment. Enrollment determines most state funding, especially general education aid. The enrollment outlook for Big Lake Schools is positive. After experiencing declining enrollment for many years prior to the pandemic, the District experienced positive growth in 2019-2020, just prior to the pandemic related shut down in March 2020. After the anomaly of the pandemic year of 2020-2021, the District had significant growth of 147 ADM's in 2021-2022, an increase of 4.89%. At the time of this writing, Fall 2022 enrollment is also positive. Fall enrollment is up about 1.5% from the Spring of 2022. This growth can be attributed to the addition of Big Lake Online programming as well as career and tech ed programming in the high school. Population growth within the community is also expected with the addition of a major commercial employer.

Another significant determining factor on the District's future is the state of the Minnesota economy. The Legislature closed its 2022 session without an agreement on a significant multi-billion dollar surplus. This was prior to the history making Federal Reserve interest rate hike and record increases in inflation that began in the spring and summer of 2022. An updated state budget forecast is due in late November 2022, and it remains to be seen whether the multi-billion dollar surplus will continue. School districts, such as Big Lake, would like to see significant investments in general education aid and relief from the special education cross subsidy of general education. Without significant increases on the state funding formulas, it will be difficult to maintain positive operations in an inflationary environment of 8% year over year increase at the time of this writing.

One last factor bearing on the District's future is the current tight labor market and teacher shortage. Big Lake, like many school districts across the state, had significant difficulty filling open teacher and paraeducator positions. The District must continue to be creative and find ways to fill open teaching and paraeducator positions that remains in compliance with state statutes.

The District remains committed to providing academic excellence and educational opportunities for its students within a framework of financial fiduciary responsibility.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Business Services, Independent School District 727, 501 Minnesota Avenue, Big Lake, Minnesota, 55309-9246.

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## **BASIC FINANCIAL STATEMENTS**

**Independent School District No. 727**  
**Statement of Net Position**  
**June 30, 2022**

	Governmental Activities
<b>Assets</b>	
Cash and investments including cash equivalents)	\$ 50,691,748
Current property taxes receivable	5,418,760
Delinquent property taxes receivable	114,530
Accounts receivable	207,809
Interest receivable	77,127
Due from Department of Education	2,337,668
Due from Federal Government through Department of Education	489,035
Due from other Minnesota school districts	402,341
Due from other governmental units	273,244
Inventory	35,392
Prepaid items	60,752
Equity interest in joint venture	3,310
Capital assets, not being depreciated	
Land	784,389
Construction in progress	16,761,299
Capital assets, net of accumulated depreciation	
Land improvements	6,354,706
Buildings	41,997,170
Machinery and equipment	2,211,329
Total assets	128,220,609
<b>Deferred Outflows of Resources</b>	
Deferred outflows of resources related to pensions	8,947,876
Deferred outflows of resources related to OPEB	145,258
Total deferred outflows of resources	9,093,134
 Total assets and deferred outflows of resources	 \$ 137,313,743

**Statement of Net Position**  
**June 30, 2022**

	<u>Governmental Activities</u>
<b>Liabilities</b>	
Accounts and contracts payable	\$ 1,916,705
Salaries and benefits payable	4,045,305
Interest payable	907,678
Due to other Minnesota school districts	48,607
Due to other governmental units	17,774
Unearned revenue	276,597
Bond principal payable	
Payable within one year	3,995,000
Payable after one year	71,130,673
Compensated absences payable	
Payable after one year	209,418
Severance payable	
Payable within one year	16,673
Payable after one year	275,293
Net other post employment benefits (OPEB) liability	661,733
Net pension liability	14,752,915
Total liabilities	<u>98,254,371</u>
<b>Deferred Inflows of Resources</b>	
Deferred inflows of resources related to pensions	23,797,263
Deferred inflows of resources related to OPEB	954,328
Deferred charge on refunding	290,990
Property taxes levied for subsequent year's expenditures	10,938,926
Total deferred inflows of resources	<u>35,981,507</u>
<b>Net Position</b>	
Net investment in capital assets	20,126,657
Restricted for	
Debt service	733,837
Capital projects	155,906
Other purposes	3,536,025
Unrestricted	(21,474,560)
Total net position	<u>3,077,865</u>
 Total liabilities, deferred inflows of resources, and net position	 <u>\$ 137,313,743</u>

**Independent School District No. 727**  
**Statement of Activities**  
**Year Ended June 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position
					Governmental Activities
Governmental activities					
Administration	\$ 1,381,199	\$ -	\$ -	\$ -	\$ (1,381,199)
District support services	1,192,795	-	1,510	-	(1,191,285)
Elementary and secondary regular instruction	17,348,374	372,883	2,648,039	571,399	(13,756,053)
Vocational education instruction	594,864	-	40,941	-	(553,923)
Special education instruction	7,947,625	312,413	3,933,869	-	(3,701,343)
Instructional support services	2,325,981	31,945	861,866	-	(1,432,170)
Pupil support services	3,290,563	9,138	557,569	-	(2,723,856)
Sites and buildings	4,952,753	159,653	25,731	548,095	(4,219,274)
Fiscal and other fixed cost programs	193,238	-	-	-	(193,238)
Food service	1,980,589	175,656	2,189,021	-	384,088
Community education and services	2,327,645	1,859,879	540,252	-	72,486
Interest and fiscal charges on long-term debt	1,376,810	-	-	-	(1,376,810)
<b>Total governmental activities</b>	<b>\$ 44,912,436</b>	<b>\$ 2,921,567</b>	<b>\$ 10,798,798</b>	<b>\$ 1,119,494</b>	<b>(30,072,577)</b>
General revenues					
Taxes					
Property taxes, levied for general purposes					5,079,981
Property taxes, levied for community service					305,298
Property taxes, levied for debt service					5,296,343
State aid-formula grants					24,165,787
Other general revenues					48,102
Investment income					(297,751)
Gain of sale of assets					1,022
Total general revenues					<u>34,598,782</u>
Change in net position					4,526,205
Net position - beginning					<u>(1,448,340)</u>
Net position - ending					<u>\$ 3,077,865</u>

**Independent School District No. 727**  
**Balance Sheet - Governmental Funds**  
**June 30, 2022**

	General	Capital Projects	Debt Service	Other Nonmajor Funds	Total Governmental Funds
<b>Assets</b>					
Cash and investments	\$ 15,729,054	\$ 28,852,792	\$ 4,217,563	\$ 1,892,339	\$ 50,691,748
Current property taxes receivable	2,637,062	-	2,631,273	150,425	5,418,760
Delinquent property taxes receivable	51,743	-	58,791	3,996	114,530
Accounts receivable	177,901	-	-	29,908	207,809
Interest receivable	7,179	69,948	-	-	77,127
Due from Department of Education	2,262,912	-	39,760	34,996	2,337,668
Due from Federal Government through Department of Education	397,424	-	-	91,611	489,035
Due from other Minnesota school districts	380,356	-	-	21,985	402,341
Due from other governmental units	144,608	-	115,237	13,399	273,244
Inventory	-	-	-	35,392	35,392
Prepaid items	60,752	-	-	-	60,752
<b>Total assets</b>	<b>\$ 21,848,991</b>	<b>\$ 28,922,740</b>	<b>\$ 7,062,624</b>	<b>\$ 2,274,051</b>	<b>\$ 60,108,406</b>
<b>Liabilities</b>					
Accounts and contracts payable	\$ 488,362	\$ 1,332,407	\$ -	\$ 95,936	\$ 1,916,705
Salaries and benefits payable	3,881,094	-	-	164,211	4,045,305
Due to other Minnesota school districts	48,607	-	-	-	48,607
Due to other governmental units	17,070	-	-	704	17,774
Unearned revenue	198,794	-	-	77,803	276,597
Severance payable	16,673	-	-	-	16,673
<b>Total liabilities</b>	<b>4,650,600</b>	<b>1,332,407</b>	<b>-</b>	<b>338,654</b>	<b>6,321,661</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - delinquent property taxes	51,743	-	58,791	3,996	114,530
Property taxes levied for subsequent year's expenditures	5,204,755	-	5,421,109	313,062	10,938,926
<b>Total deferred inflows of resources</b>	<b>5,256,498</b>	<b>-</b>	<b>5,479,900</b>	<b>317,058</b>	<b>11,053,456</b>
<b>Fund Balances</b>					
Nonspendable	60,752	-	-	35,392	96,144
Restricted	1,908,800	27,590,333	1,582,724	1,614,025	32,695,882
Committed	966,146	-	-	-	966,146
Assigned	1,122,933	-	-	-	1,122,933
Unassigned	7,883,262	-	-	(31,078)	7,852,184
<b>Total fund balances</b>	<b>11,941,893</b>	<b>27,590,333</b>	<b>1,582,724</b>	<b>1,618,339</b>	<b>42,733,289</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 21,848,991</b>	<b>\$ 28,922,740</b>	<b>\$ 7,062,624</b>	<b>\$ 2,274,051</b>	<b>\$ 60,108,406</b>

**Independent School District No. 727**  
**Reconciliation of the Balance Sheet to**  
**the Statement of Net Position - Governmental Funds**  
**June 30, 2022**

Total fund balances - governmental funds	\$ 42,733,289
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	
Cost of capital assets	111,515,777
Less accumulated depreciation	(43,406,884)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
Bond principal payable (net of premiums)	(75,125,673)
Deferred charge on refunding	(290,990)
Compensated absences payable	(209,418)
Severance payable	(275,293)
Net pension liability	(14,752,915)
OPEB obligation	(661,733)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.	
Deferred outflows of resources related to pensions	8,947,876
Deferred inflows of resources related to pensions	(23,797,263)
Deferred outflows of resources related to OPEB	145,258
Deferred inflows of resources related to OPEB	(954,328)
Delinquent property taxes receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
	114,530
Equity interest in underlying capital assets of joint ventures are not reported in the funds because they do not represent current financial assets (liabilities).	
Equity interest in joint venture - Wright Technical Center	3,310
Governmental funds do not report a liability for accrued interest on bonds until due and payable.	
	<u>(907,678)</u>
Total net position - governmental activities	<u><u>\$ 3,077,865</u></u>

**Independent School District No. 727**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended June 30, 2022**

	General	Capital Projects	Debt Service	Other Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>					
Local property taxes	\$ 5,104,980	\$ -	\$ 5,327,437	\$ 307,747	\$ 10,740,164
Other local and county revenues	1,007,066	(230,033)	(10,153)	1,902,609	2,669,489
Revenue from state sources	31,054,885	-	398,952	347,819	31,801,656
Revenue from federal sources	1,832,048	-	-	2,319,779	4,151,827
Sales and other conversion of assets	32,949	-	-	194,226	227,175
Total revenues	<u>39,031,928</u>	<u>(230,033)</u>	<u>5,716,236</u>	<u>5,072,180</u>	<u>49,590,311</u>
<b>Expenditures</b>					
<b>Current</b>					
Administration	1,437,323	-	-	-	1,437,323
District support services	1,249,907	-	-	-	1,249,907
Elementary and secondary regular instruction	17,061,761	-	-	-	17,061,761
Vocational education instruction	642,746	-	-	-	642,746
Special education instruction	8,404,344	-	-	-	8,404,344
Instructional support services	2,208,134	-	-	-	2,208,134
Pupil support services	3,350,998	-	-	-	3,350,998
Sites and buildings	3,360,389	914,296	-	-	4,274,685
Fiscal and other fixed cost programs	193,238	-	-	-	193,238
Food service	-	-	-	1,857,756	1,857,756
Community education and services	-	-	-	2,399,300	2,399,300
<b>Capital outlay</b>					
Administration	5,573	-	-	-	5,573
Elementary and secondary regular instruction	170,554	-	-	-	170,554
Special education instruction	14,060	-	-	-	14,060
Instructional support services	57,307	-	-	-	57,307
Sites and buildings	302,334	6,689,357	-	-	6,991,691
Food service	-	-	-	1,243	1,243
Community education and services	-	-	-	33,052	33,052
<b>Debt service</b>					
Principal	56,386	-	4,550,000	-	4,606,386
Interest and fiscal charges	1,071	-	1,576,161	-	1,577,232
Total expenditures	<u>38,516,125</u>	<u>7,603,653</u>	<u>6,126,161</u>	<u>4,291,351</u>	<u>56,537,290</u>
Excess of revenues over (under) expenditures	515,803	(7,833,686)	(409,925)	780,829	(6,946,979)
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets	1,022	-	-	-	1,022
Bond issuance	-	30,000,000	8,020,000	-	38,020,000
Bond premium	-	617,224	796,626	-	1,413,850
Insurance recovery	26,756	-	-	-	26,756
Payments on refunded bonds	-	-	(8,730,000)	-	(8,730,000)
Total other financing sources (uses)	<u>27,778</u>	<u>30,617,224</u>	<u>86,626</u>	<u>-</u>	<u>30,731,628</u>
Net change in fund balances	543,581	22,783,538	(323,299)	780,829	23,784,649
<b>Fund Balances</b>					
Beginning of year	<u>11,398,312</u>	<u>4,806,795</u>	<u>1,906,023</u>	<u>837,510</u>	<u>18,948,640</u>
End of year	<u>\$ 11,941,893</u>	<u>\$ 27,590,333</u>	<u>\$ 1,582,724</u>	<u>\$ 1,618,339</u>	<u>\$ 42,733,289</u>

**Independent School District No. 727  
Reconciliation of the Statement of Revenues,  
Expenditures, and Changes in Fund Balances to the  
Statement of Activities - Governmental Funds  
Year Ended June 30, 2022**

Net change in fund balances - total governmental funds \$ 23,784,649

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital outlays	7,396,824
Depreciation expense	(2,633,475)
Loss on disposal	(31,434)

Compensated absences are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities. 6,385

Severance payments are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities. 22,761

Governmental funds recognized pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on the full accrual perspective.

Pension expense	1,764,764
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Principal payments on long-term debt are recognized as expenditures in the governmental funds but have no effect on net position in the Statement of Activities. 4,606,386

OPEB obligations are recognized when paid in the governmental funds but recognized when incurred in the Statement of Activities. 149,933

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. (292,074)

Proceeds from the sale of bonds are recognized as other financing sources in the governmental funds increasing fund balance but having no effect on net position in the Statement of Activities. (38,020,000)

Governmental funds report debt issuance premiums and the deferred charge bond refunding at the time of issuance. Premiums, discounts and losses on refundings are reported as an unamortized asset or liability in the government-wide financial statements.

Debt issuance premium and deferred charge refunding	(921,354)
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Net loss from the equity interest in joint venture does not provide current financial resources and is not reported as revenue in the funds. 21,382

Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. (58,542)

Change in net position - governmental activities \$ 4,526,205

**Independent School District No. 727**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 5,026,373	\$ 5,021,961	\$ 5,104,980	\$ 83,019
Other local and county revenues	837,959	900,053	1,007,066	107,013
Revenue from state sources	29,493,892	30,844,723	31,054,885	210,162
Revenue from federal sources	1,286,928	1,873,024	1,832,048	(40,976)
Sales and other conversion of assets	58,600	57,600	32,949	(24,651)
Total revenues	<u>36,703,752</u>	<u>38,697,361</u>	<u>39,031,928</u>	<u>334,567</u>
<b>Expenditures</b>				
Current				
Administration	1,460,388	1,432,962	1,437,323	4,361
District support services	1,300,261	1,407,375	1,249,907	(157,468)
Elementary and secondary regular instruction	16,697,794	16,717,903	17,061,761	343,858
Vocational education instruction	682,764	671,236	642,746	(28,490)
Special education instruction	8,913,500	8,576,317	8,404,344	(171,973)
Instructional support services	2,597,597	2,392,003	2,208,134	(183,869)
Pupil support services	3,055,660	3,520,981	3,350,998	(169,983)
Sites and buildings	3,451,088	3,516,105	3,360,389	(155,716)
Fiscal and other fixed cost programs	207,764	210,957	193,238	(17,719)
Capital outlay				
Administration	7,500	6,500	5,573	(927)
District support services	37,811	-	-	-
Elementary and secondary regular instruction	284,011	256,747	170,554	(86,193)
Vocational education instruction	1,500	-	-	-
Special education instruction	-	13,100	14,060	960
Instructional support services	262,500	126,449	57,307	(69,142)
Pupil support services	-	2,167	-	(2,167)
Sites and buildings	258,938	312,311	302,334	(9,977)
Debt service				
Principal	56,386	56,386	56,386	-
Interest and fiscal charges	1,071	1,071	1,071	-
Total expenditures	<u>39,276,533</u>	<u>39,220,570</u>	<u>38,516,125</u>	<u>(704,445)</u>
Excess of revenues over (under) expenditures	(2,572,781)	(523,209)	515,803	1,039,012
<b>Other Financing Sources</b>				
Proceeds from sale of capital assets	-	-	1,022	1,022
Insurance recoveries	-	105,000	26,756	(78,244)
Total other financing sources	<u>-</u>	<u>105,000</u>	<u>27,778</u>	<u>(77,222)</u>
Net change in fund balances	<u>\$ (2,572,781)</u>	<u>\$ (418,209)</u>	543,581	<u>\$ 961,790</u>
<b>Fund Balance</b>				
Beginning of year			<u>11,398,312</u>	
End of year			<u>\$ 11,941,893</u>	

**Independent School District No. 727**  
**Statement of Fiduciary Net Position**  
**Year Ended June 30, 2022**

	Custodial Fund	Other Post Employment Benefits Irrevocable Trust Fund
<b>Assets</b>		
Current		
Deposits	\$ 1,235	\$ 275,000
Investments		
Goldman sachs government money market	-	9,372
Vanguard total stock market ETF	-	266,709
Vanguard total bond market ETF	-	261,528
US Treasury Note	-	241,064
MN Trust limited term duration	-	477,852
MN Trust investment shares portfolio	-	1,028
Total investments	-	1,257,553
Interest receivable	-	227
Total assets	\$ 1,235	\$ 1,532,780
<b>Liabilities</b>		
Accounts payable	\$ 1,235	82,426
Benefits payable	-	56,325
Total liabilities	\$ 1,235	\$ 138,751
<b>Net Position</b>		
Held in trust for OPEB		\$ 1,394,029

**Statement of Changes in Fiduciary Net Position**  
**Year Ended June 30, 2022**

<b>Additions</b>		
Investment income		\$ (85,448)
Total additions		(85,448)
<b>Deductions</b>		
Benefit payments		135,594
Miscellaneous expense		3,271
Total deductions		138,865
Change in net position		(224,313)
<b>Net Position</b>		
Beginning of year		1,618,342
End of year		\$ 1,394,029

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The District operates under a school board form of government for the purpose of providing educational services to individuals within the District areas. The governing body consists of a six member board elected by the voters of the District to serve four-year terms.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

**A. Reporting Entity**

The financial statements present the District and its component units. The District includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the District are financially accountable and are included within the basic financial statements of the District because of the significance of their operational or financial relationships with the District.

The District is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the District.

As a result of applying the component unit definition criteria above, it has been determined the District has no component units.

The student activity accounts of the District are under the School Board's control and are reported in the General Fund.

**B. Basic Financial Statement Information**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District. The fiduciary funds are only reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items are not included among program revenues; instead, they are properly reported as general revenues.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basic Financial Statement Information (Continued)**

The District applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position is available. Depreciation expense that can be specifically identified by function is included in the direct expenses of that function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. The effect of interfund activity has been removed from these statements.

Separate fund financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The OPEB Trust Fund and Custodial Fund are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the District, these Funds are not incorporated into the government-wide statements.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner.

**1. Revenue Recognition**

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to *Minnesota Statutes* and accounting principles generally accepted in the United States of America. *Minnesota Statutes* include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within 60 days.

**2. Recording of Expenditures**

Expenditures are generally recorded when a liability is incurred. The exceptions to this general rule are that interest and principal expenditures in the Debt Service Fund, compensated absences and claims and judgments are recognized when payment is due.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement of Focus and Basis of Accounting (Continued)**

**Description of Funds:**

Major Funds:

General Fund – This fund is the basic operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities, equipment purchases, health and safety projects, and disabled accessibility projects.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of, G.O. bond principal, interest, and related costs.

Capital Projects Fund – This fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue.

Nonmajor Funds:

Food Service Special Revenue Fund – This fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund – This fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-6 extended day programs, or other similar services.

Fiduciary Funds:

OPEB Irrevocable Trust Fund – This fund is used to account for the financial resources relating to post employment benefits.

Custodial Fund – This fund is used to account for assets held by a governmental unit as an agent for individuals, private organization, other governmental units, and other funds.

**D. Deposits and Investments**

The District's total deposits and investments are comprised of two major components, each with its own set of legal and contractual provisions as described on the following page.

**District Funds Other than OPEB Trust Fund**

In accordance with applicable *Minnesota Statutes*, the District maintains deposits at depository banks authorized by the School Board.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Deposits and Investments (Continued)**

**District Funds Other than OPEB Trust Fund (Continued)**

*Minnesota Statutes* requires all deposits be protected by federal depository insurance, corporate surety bonds, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds.

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. State statutes authorize the government and the District to invest in obligations of the U.S. Treasury, corporate bonds, commercial paper, and the State Treasurer's Investment Pool. Earnings from the pooled investments are allocated to the individual funds based on the average of month-end cash and investment balances.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment held by investment pools are measured at amortized cost.

The District's cash and cash equivalents are considered to be cash on hand, deposits, and highly liquid debt instruments purchased with original maturities of three months or less from the date of acquisition. Investments are stated at fair value.

Short-term, highly liquid debt instruments (including certificates of deposit, banker's acceptances, and U.S. Treasury and agency obligations) purchased with a remaining maturity of one year or less are reported at amortized cost. Other investments are reported at fair value.

Cash and investments at June 30, 2022, were comprised of deposits and investments as detailed in Note 2. In accordance with GASB Statement No. 79, the various MNTrust securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from MNTrust. Seven days' notice of redemption is required for withdrawals of investments in the MNTrust Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

**OPEB Trust Fund**

These funds represent investments administered by the District's OPEB Trust Fund investment managers. As of June 30, 2022, they were comprised of investments as detailed in Note 2. The District's investment policy, discussed previously, extends to the OPEB Trust Fund investments.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Deposits and Investments (Continued)**

**OPEB Trust Fund (Continued)**

*Minnesota Statutes* authorize the OPEB Trust Fund to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, corporate bonds, common stock and foreign stock of the highest quality, mutual funds, repurchase and reverse agreements, commercial paper of the highest quality with a maturity no longer than 270 days and in the State Board of Investments. Investments are stated at fair value.

The OPEB Trust Agreement indicates permitted investments include one or more series of MN Trust shares relating to a separate portfolio of investments, or from multi-class shares of MN Trust within the same portfolio.

**E. Property Tax Receivable**

Current property taxes receivable are recorded for taxes certified the previous December and collectible in the current calendar year, which have not been received by the District. Delinquent property taxes receivable represents uncollected taxes for the past six years, and are deferred and included in the deferred inflows of resources section of the fund financial statements as unavailable revenue because they are not available to finance the operations of the District in the current year.

**F. Property Taxes Levied for Subsequent Year's Expenditures**

Property taxes levied for subsequent year's expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December **2021**, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in the fiscal year 2022. The remaining portion of the levy will be recognized when measurable and available.

**G. Inventories**

Inventories of commodities donated directly by the U.S. Department of Agriculture are recorded at market value. Other inventories are stated at cost as determined on a first-in, first-out (FIFO) basis. Inventories are recorded as expenditures when consumed rather than when purchased.

**H. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Property Taxes**

The District levies its property tax during the month of December. December 28 is the last day the District can certify a tax levy to the County Auditor. Such taxes become a lien on January 1. The property tax is recorded as revenue when it becomes measurable and available. Sherburne County is the collecting agency for the levy and remits the collections to the District three times a year. The Tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Delinquent collections for November and December are received the following January.

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

**J. Capital Assets**

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements.

Capital assets are defined by the District as assets with an initial individual cost of more than \$3,000 and an estimated useful life in excess of one year. Such assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings and 5 to 20 years for equipment.

Capital assets not being depreciated include land and construction in progress. The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

**K. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has three items that qualify for reporting in this category. A deferred charge on refunding, deferred outflows of resources related to pensions, and deferred outflows of resources related to OPEB are reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. Deferred outflows of resources related to pensions is recorded for various estimate differences that will be amortized and recognized over future years. Deferred outflows of resources related to OPEB is recorded for various estimate differences that will be amortized and recognized over future years.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the Statement of Net Position and fund balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four types of items which qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. Deferred inflows of resources related to pensions is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years. Deferred inflows of resources related to OPEB is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years.

**L. Long-Term Obligations**

In the government-wide financial statements long-term debt and other long term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**M. Compensated Absences**

District employees earn vacation days based upon the number of completed years of service. The District compensates employees for unused vacation upon termination of employment.

The District maintains various sick leave plans for its employee groups. All District employees are entitled to sick leave at various rates. Sick leave may be accumulated to a maximum of 125 days for all employee groups. Unused sick leave is a factor in the calculation of an employee's severance pay upon retirement under some collective bargaining agreements. The amount of compensated absences is recorded in the Statement of Net Position.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Severance Benefits**

The District maintains various severance plans for its employee groups. Severance benefits consist of lump sum early retirement incentive payments, severance based upon experience and sick leave balances.

**O. Post Employment Health Benefits**

Under the terms of certain collectively bargained employment contracts, the District is required to pay the hospital/medical insurance premiums and dental insurance premiums for retired employees until they reach specified age requirements such as Medicare eligibility. The amount to be paid is equal to the full monthly premium cost for insurance coverage available under the appropriate current employment contract.

**P. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis, and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015.

**Q. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District and additions to/deductions from the District's fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, the District recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**R. Risk Management**

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in the District's insurance coverage during the year ending June 30, 2022.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**S. Fund Equity**

**1. Classification**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- Nonspendable Fund Balances – These are amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact and include inventory and prepaid items.
- Restricted Fund Balances – These are amounts that are restricted to specific purposes either by constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through enabling legislation.
- Committed Fund Balances – These are amounts that can only be used for specific purposes pursuant to constraints imposed by the School Board (highest level of decision making authority) through resolution.
- Assigned Fund Balances – The School Board delegates to the Director of Business Services, after consultation with the Finance Committee, the authority to assign fund balances for specific purposes.
- Unassigned Fund Balance – This fund represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose in the General Fund.

The District's policy is to spend resources from fund balance classifications in the following order (first to last) if resources from more than one fund balance classification could be spent: restricted, committed, assigned, and unassigned.

**2. Minimum Fund Balance Policy**

The District will strive to maintain a minimum General Fund unassigned fund balance of 8% of General Fund operating expenditures. When the District is projected to drop below its minimum fund balance, District administration shall initiate measures to either generate additional revenue or to reduce expenditures through a budget reduction plan, or a combination of both.

**T. Net Position**

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**U. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

**V. Budgetary Information**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Director of Business Services submits to the School Board, a proposed operating budget for the year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Director of Business Services is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the School Board.
3. Formal budgetary integration is employed as a management control device during the year for the General, Food Service, Community Service, Capital Projects, and Debt Service Funds.
4. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgets are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year-end.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**A. Deposits**

**District Funds Other than OPEB Trust Fund**

**Custodial Credit Risk – Deposits:** For deposits, this is the risk in the event of a bank failure, the District's deposits may not be returned to it. The District has a policy that requires the District's deposits be collateralized by obtaining collateral or bond for all uninsured amounts on deposit and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

The District's pooled deposits had a book balance as follows:

Checking	\$ 263,901
Certificates of deposit	<u>2,217,428</u>
Total deposits	<u><u>\$ 2,481,329</u></u>

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

**Bond Proceeds**

The District's nonpooled deposits related to Bonds had a book balance as follows:

Certificates of deposit	\$ 428,800
Savings Deposit Account	<u>37</u>
Total deposits	<u><u>\$ 428,837</u></u>

**OPEB Trust Fund**

As of June 30, 2022, the District's OPEB Trust Fund has the following non pooled deposits:

Certificates of deposit	<u><u>\$ 275,000</u></u>
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**B. Investments**

**Credit Risk:** This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper and corporate bonds to be in the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy refers to *Minnesota Statutes* governing investments. Statutes limits investments in the top two ratings issued by nationally recognized statistical rating organizations. The policy also states the District will prequalify the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business. As of June 30, 2022, the District's investments were rated in the table on following page.

**Concentration of Credit Risk:** This is the risk of loss attributed to the magnitude of an investment in a single issuer. The District's policy states the District will diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Diversification strategies shall be determined and revised periodically by the investment officer for all funds as allowed by law.

**Interest Rate Risk:** This is the risk that the market value of securities will fall due to the changes in market interest rates. The District's policy states interest rate risk will be managed by structuring the investment portfolio, so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities, money market mutual funds or similar investment pools and limiting the average maturity of the portfolio.

**Custodial Credit Risk – Investments:** For an investment, this is the risk in the event of the failure of the counterparty; the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy states an annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer. In addition, the School Board shall annually designate one or more official depositories for District funds. The Finance Manager of the District may also exercise the power of the School Board to designate a depository.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

As of June 30, 2022, the District had the following investments:

Investment Type	Fair Value	Investment Maturities		S & P Credit Ratings
		Less Than 1 Year	1 to 3 Years	
<b>Pooled</b>				
MN Trust Term Series	\$ 500,000	\$ 500,000	\$ -	AAA
Treasury Notes	1,967,424	972,773	994,651	AA+
Savings Deposit Account	5,007,047	5,007,047	-	NR
MN Trust Limited Term Duration	4,017,933	4,017,933	-	AAA
MN Trust Investment Shares Portfolio	7,619,967	7,619,967	-	AAA
Total pooled investments	<u>19,112,371</u>	<u>18,117,720</u>	<u>994,651</u>	
<b>Non Pooled</b>				
<b>Bond Proceeds Investments</b>				
Savings Deposit Account	1,002,409	1,002,409	-	NR
MN Trust Investment Shares Portfolio	1,844,000	1,844,000	-	AAA
Treasury Notes	25,817,452	11,134,933	14,682,519	AA+
Total 2015A, 2015B and 2017B Bonds	<u>28,663,861</u>	<u>13,981,342</u>	<u>14,682,519</u>	
<b>OPEB Investments</b>				
Goldman Sachs Government Money Market	9,372	9,372	-	NR
Vanguard Total Stock Market ETF	266,709	266,709	-	NR
Vanguard Total Bond Market ETF	261,528	261,528	-	NR
Treasury Notes	241,065	241,065	-	AA+
MN Trust Limited Term Duration	477,852	477,852	-	AAA
MN Trust Investment Shares Portfolio	1,028	1,028	-	AAA
Total OPEB Investments	<u>1,257,554</u>	<u>1,257,554</u>	<u>-</u>	
Total non-pooled investments	<u>29,921,415</u>	<u>15,238,896</u>	<u>14,682,519</u>	
Total investments	<u>\$ 49,033,786</u>	<u>\$ 33,356,616</u>	<u>\$ 15,677,170</u>	

The District has the following recurring fair value measurements as of June 30, 2022:

- \$528,237 of investments are valued using quoted market prices (Level 1 inputs)
- \$9,372 of investments are valued using a significant other observable (Level 2 inputs)

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**C. Deposits and Investments**

The following is a summary of total deposits and investments:

District Governmental Funds and Private Purpose Trust Fund	
Deposits - pooled (Note 2A)	\$ 2,481,329
Deposits - non pooled (Note 2A)	428,837
Deposits - non pooled (Note 2A)	275,000
Petty cash	6,584
Investments - pooled	19,112,371
Investments - non pooled	28,663,862
Investments - non pooled	<u>1,257,553</u>
Total deposits and investments	<u><u>\$ 52,225,536</u></u>
Statement of Net Position	
Cash and investments	\$ 50,691,748
Statement of Fiduciary Net Position	
Custodial Fund	1,235
OPEB Trust Fund	<u>1,532,553</u>
Total	<u><u>\$ 52,225,536</u></u>

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 3 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 784,389	\$ -	\$ -	\$ 784,389
Construction in progress	10,414,004	7,119,259	771,964	16,761,299
Total capital assets not being depreciated	<u>11,198,393</u>	<u>7,119,259</u>	<u>771,964</u>	<u>17,545,688</u>
Capital assets being depreciated				
Land improvements	8,689,903	-	-	8,689,903
Buildings	79,860,820	812,771	4,875	80,668,716
Machinery and equipment	4,858,776	236,758	484,064	4,611,470
Total capital assets being depreciated	<u>93,409,499</u>	<u>1,049,529</u>	<u>488,939</u>	<u>93,970,089</u>
Less accumulated depreciation for				
Land improvements	1,932,070	403,127	-	2,335,197
Buildings	36,822,891	1,852,311	3,656	38,671,546
Machinery and equipment	2,475,953	378,037	453,849	2,400,141
Total accumulated depreciation	<u>41,230,914</u>	<u>2,633,475</u>	<u>457,505</u>	<u>43,406,884</u>
Total capital assets being depreciated, net	<u>52,178,585</u>	<u>(1,583,946)</u>	<u>31,434</u>	<u>50,563,205</u>
Governmental activities, capital assets, net	<u>\$ 63,376,978</u>	<u>\$ 5,535,313</u>	<u>\$ 803,398</u>	<u>\$ 68,108,893</u>

Depreciation expense of for the year ended June 30, 2022, was charged to the following governmental functions:

Administration	\$ 22,565
District support services	731
Elementary and secondary regular instruction	1,117,015
Vocational instruction	234
Special education instruction	32,592
Instructional support services	187,057
Pupil support services	13,051
Sites and buildings	1,120,369
Food service	121,067
Community service	18,794
Total depreciation expense	<u>\$ 2,633,475</u>

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 4 – LONG TERM DEBT**

**A. Components of Long-Term Liabilities**

	Issue Date	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
G.O. bonds including						
refunding bonds						
G.O. Facilities Maintenance Bonds, Series 2016A	02/18/16	3.00%-5.00%	\$ 5,120,000	02/01/31	\$ 3,490,000	\$ 340,000
G.O. School Building Bonds Series 2016B	07/27/16	2.00%-2.75%	4,000,000	02/01/33	4,000,000	-
G.O. School Building Bonds Series 2017A	02/16/17	2.50%-3.00%	5,080,000	02/01/33	5,080,000	-
G.O. Facilities Maintenance Bonds, Series 2017B	12/28/17	3.00%	3,900,000	02/01/33	3,465,000	175,000
G.O. Tax Abatement and Facilities Maintenance Bonds Series 2019A	02/14/19	3.00%-4.00%	3,750,000	02/01/35	3,495,000	135,000
G.O. Facilities Maintenance Bonds, Series 2020A	02/13/20	2.00%-4.00%	7,350,000	02/01/36	7,350,000	-
G.O. Facilities Maintenance Bonds, Series 2021A	02/18/21	1.00%-2.00%	7,975,000	02/01/39	7,975,000	-
G.O. Facilities Refunding Bonds, Series 2021B	11/10/21	5.00%	8,020,000	02/01/25	8,020,000	2,945,000
G.O. School Building Bonds, Series 2022A	01/27/22	2.00%-4.00%	30,000,000	02/01/42	<u>30,000,000</u>	<u>400,000</u>
Total G.O. bonds					72,875,000	3,995,000
Plus net bond premium					<u>2,250,673</u>	<u>-</u>
Net bonds payable					75,125,673	3,995,000
Severance payable					291,966	16,673
Compensated absences payable					<u>209,418</u>	<u>-</u>
Total all long-term liabilities					<u>\$ 75,627,057</u>	<u>\$ 4,011,673</u>

Long-term bond and loan liabilities listed above were issued to finance acquisition and construction of capital facilities or to refinance (refund) previous bond issues. Other long-term liabilities, such as severance and compensated absences, are typically liquidated through the General Fund.

**B. Minimum Debt Payments for Bonds and Loans**

Minimum annual principal and interest payments required to retire bond liabilities:

Year Ending June 30,	G.O. Bonds		
	Principal	Interest	Total
2023	\$ 3,995,000	\$ 2,046,049	\$ 6,041,049
2024	4,695,000	1,760,376	6,455,376
2025	4,605,000	1,543,924	6,148,924
2026	3,130,000	1,343,775	4,473,775
2027	3,170,000	1,251,325	4,421,325
2028-2032	16,990,000	4,920,863	21,910,863
2033-2037	18,655,000	2,827,737	21,482,737
2038-2042	<u>17,635,000</u>	<u>1,015,525</u>	<u>18,650,525</u>
Total	<u>\$ 72,875,000</u>	<u>\$ 16,709,574</u>	<u>\$ 89,584,574</u>

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 4 – LONG TERM DEBT (CONTINUED)**

**C. Changes in Long-Term Liabilities**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Long-term liabilities				
G.O. bonds	\$ 48,135,000	\$ 38,020,000	\$ 13,280,000	\$ 72,875,000
Premium	1,620,309	1,413,850	783,486	2,250,673
Capital lease	56,386	-	56,386	-
Severance payable	306,308	26,930	41,272	291,966
Compensated absences payable	215,803	39,048	45,433	209,418
	<u>\$ 50,333,806</u>	<u>\$ 39,499,828</u>	<u>\$ 14,206,577</u>	<u>\$ 75,627,057</u>

The District issued the \$8,020,000 G.O. Refunding Bonds, Series 2021B for the current refunding of the G.O. Refunding Bonds, Series 2012B. The refunding was undertaken to reduce total debt service payments by \$ 723,080 and resulted in a net present value benefit of \$ 704,754.

**NOTE 5 – FUND BALANCES/NET POSITION**

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties.

**A. Fund Balances**

Fund balances are classified on the following page to reflect the limitations and restrictions of the respective funds.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balances (Continued)**

	General Fund	Capital Projects Fund	Debt Service Fund	Other Nonmajor Funds	Total
Nonspendable for					
Inventory	\$ -	\$ -	\$ -	\$ 35,392	\$ 35,392
Prepaid items	60,752	-	-	-	60,752
Total nonspendable	<u>60,752</u>	<u>-</u>	<u>-</u>	<u>35,392</u>	<u>96,144</u>
Restricted/reserved for					
Student Activities	22,993	-	-	-	22,993
Scholarships	24,750	-	-	-	24,750
Staff Development	125,534	-	-	-	125,534
Long-Term Facilities Maintenance	133,946	1,106,865	-	-	1,240,811
Area Learning Center	30,462	-	-	-	30,462
Operating Capital	758,930	-	-	-	758,930
Basic Skills Programs	30,157	-	-	-	30,157
Capital Projects Levy	521,817	-	-	-	521,817
Medical Assistance	260,211	-	-	-	260,211
Community Education	-	-	-	814,484	814,484
Early Childhood and Family Education	-	-	-	125,032	125,032
Community Service	-	-	-	4,167	4,167
Debt Service	-	-	1,582,724	-	1,582,724
Capital Projects	-	26,483,468	-	-	26,483,468
Food Service	-	-	-	670,342	670,342
Total restricted/reserved	<u>1,908,800</u>	<u>27,590,333</u>	<u>1,582,724</u>	<u>1,614,025</u>	<u>32,695,882</u>
Committed for					
Separation/retirement	937,026	-	-	-	937,026
Liberty shelter	29,120	-	-	-	29,120
Total committed	<u>966,146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>966,146</u>
Assigned for					
Q Comp	92,169	-	-	-	92,169
STEM	5,116	-	-	-	5,116
Copier replacement	65,721	-	-	-	65,721
Curriculum materials	68,357	-	-	-	68,357
Special education vehicles	34,361	-	-	-	34,361
Athletics and activities	246,912	-	-	-	246,912
Technology repairs and replacement	57,328	-	-	-	57,328
Middle school sound system	172,835	-	-	-	172,835
DAPE Equipment	30,000	-	-	-	30,000
Facilities Equipment Replacement	206,399	-	-	-	206,399
Building level activities	143,735	-	-	-	143,735
Total assigned	<u>1,122,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,122,933</u>
Unassigned for					
General purposes	7,883,262	-	-	-	7,883,262
School Readiness	-	-	-	(31,078)	(31,078)
Total unassigned	<u>7,883,262</u>	<u>-</u>	<u>-</u>	<u>(31,078)</u>	<u>7,852,184</u>
Total fund balances	<u>\$ 11,941,893</u>	<u>\$ 27,590,333</u>	<u>\$ 1,582,724</u>	<u>\$ 1,618,339</u>	<u>\$ 42,733,289</u>

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balances (Continued)**

Nonspendable for Inventory – This balance represents fund balance that has already been spent as inventory.

Nonspendable for Prepaid Items – This balance represents fund balance that has already been spent as prepaid items.

Restricted/Reserved for Student Activities – This balance represents available resources to be used for the extracurricular activity funds raised by the students.

Restricted/Reserved for Scholarships – This balance represents available resources for the scholarship funds.

Restricted/Reserved for Staff Development – This balance represents unspent staff development revenues set aside from general education revenue that were restricted/reserved for staff development related to Finance Codes 316. Expenditures for staff development must equal at least 2% of the basic general education revenue, unless legal stipulations are met (*Minnesota Statutes* 122A.61, subd. 1).

Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) – This balance represents available resources to be used for LTFM projects in accordance with the 10-year plan (*Minnesota Statutes* 123B.595, subd. 12).

Restricted/Reserved for Area Learning Center – This balance represents amounts restricted for students attending area learning centers. Each district that sends students to an area learning center must restrict an amount equal to the sum of 1) at least 90 and no more than 100 percent of the district average General Education Revenue per adjusted pupil unit minus an amount equal to the product of the formula allowance according to *Minnesota Statutes* 126C.10, subd. 2, times .0466, calculated without basic skills revenue, local optional revenue, and transportation sparsity revenue, times the number of pupil units attending a state-approved area learning center, plus (2) the amount of basic skills revenue generated by pupils attending the area learning center. The amount restricted may only be spent on program costs associated with the area learning center.

Restricted/Reserved for Operating Capital – This balance represents available resources in the General Fund to be used to purchase equipment and facilities.

Restricted/Reserved for Basic Skills Programs – This balance represents resources available for the basic skills uses listed in *Minnesota Statutes* 126C.15, subd. 1.

Restricted/Reserved for Capital Projects Levy – This balance represents available resources from the capital projects levy to be used for building construction and other projects under *Minnesota Statutes* 126C.10, subd. 14. All interest income attributable to the capital projects levy must be credited to this account.

Restricted/Reserved for Medical Assistance – This balance represents available resources to be used for medical assistance expenditures (*Minnesota Statutes* 125A.21, subd. 3).

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balances (Continued)**

Restricted/Reserved for Community Education – This balance represents the resources available to provide programming such as: nonvocational, recreational and leisure time activities, programs for adults with disabilities, noncredit summer programs, adult basic education programs, youth development and youth service programming, early childhood and family education, and extended day programs.

Restricted/Reserved for Early Childhood and Family Education – This balance represents the resources available to provide for services for early childhood and family education programming.

Restricted/Reserved for Community Service – This balance represents the positive fund balance of the Community Service Fund.

Restricted/Reserved for Debt Service – This balance represents the positive fund balance of the Debt Service Fund.

Restricted/Reserved for Capital Projects – This balance represents available resources in the Capital Projects Fund for projects.

Restricted/Reserved for Food Service – This balance represents the positive fund balance of the Food Service Fund.

Committed for Separation/Retirement Benefits – This balance represents resources segregated from the unassigned fund balance for retirement benefits, including compensated absences, pensions, other post employment benefits (OPEB), and termination benefits (as defined in GASB Statements Nos. 16, 27, 45, 47 and 50 and *Minnesota Statutes* 123B.79, subd. 7).

Committed for Liberty Shelter – This balance represents the remaining donation proceeds earmarked for a shelter on Liberty Elementary fields.

Assigned for Q Comp – This balance represents resources segregated from unassigned fund balance for unspent Q Comp, or quality compensation, tax levy, and state aids.

Assigned for STEM – This balance represents resources segregated from the unassigned fund balance for the STEM programming at Independence STEM Elementary.

Assigned for Copier Replacement – This balance represents resources segregated from the unassigned fund balance for future replacement of copiers.

Assigned for Curriculum Materials – This balance represents resources segregated from the unassigned fund balance for the curriculum materials.

Assigned for Special Education Vehicles – This balance represents resources segregated from the unassigned fund balance for the replacement of special education vans.

Assigned for Athletics and Activities – This balance represents resources segregated from unassigned fund balance for athletics and activity programming

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balances (Continued)**

Assigned for Technology Repairs and Replacement – This balance represents resources segregated from unassigned fund balance for technology protection repairs and replacement of chromebooks.

Assigned for Middle School Sound System – This balance represents resources segregated from unassigned fund balance for upgrading the middle school sound system in the student center.

Assigned for DAPE Equipment – This balance represents resources segregated from unassigned fund balance for DAPE Equipment.

Facilities Equipment Replacement – This balance represents resources segregated from unassigned fund balance for facilities equipment replacement.

Assigned for Building Level Activities – This balance represents resources segregated from unassigned fund balance for different student activities that have done fundraising or received donations for specific purposes.

Unassigned for School Readiness – This balance represents the resources available to provide for services for school readiness programs (*Minnesota Statutes* 124D.16).

**B. Restricted Net Position**

Net position restricted for other purposes is comprised of the total positive restricted fund balances within the General Fund plus the total fund balances in the Community Service and Food Service Funds.

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

The District participates in various pension plans. Total pension expense for the year ended June 30, 2022, was \$144,171. The components of pension expense are noted in the following plan summaries. The General Fund typically liquidates the Liability related to the pensions.

**Teachers' Retirement Association**

**A. Plan Description**

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with *Minnesota Statutes*, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member, and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those teachers employed by St. Paul Schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Define Contribution Plan (DCR) administered by Minnesota State.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**B. Benefits Provided**

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by *Minnesota Statute* and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for TRA's Coordinated and Basic Plan members. Members first employed before July 1, 1989, receive the greater of the Tier I or Tier II benefits as described.

*Tier I Benefits*

Tier 1	Step Rate Formula	Percentage
Basic	First ten years of service	2.2% per year
	All years after	2.7% per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2% per year
	First ten years if service years are July 1, 2006, or after	1.4% per year
	All other years of service if service years are up to July 1, 2006	1.7% per year
	All other years of service if service years are July 1, 2006, or after	1.9% per year

With these provisions:

- Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- 3% per year early retirement reduction factor for all years under normal retirement age.
- Unreduced benefits for early retirement under a Rule of 90 (age plus allowable service equals 90 or more).

*Tier II Benefits*

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006, and after, a level formula of 1.9% per year for Coordinated members and 2.7% for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under *Minnesota Statute*. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

**Independent School District No. 727  
Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

*Tier II Benefits (Continued)*

**B. Benefits Provided (Continued)**

Members first employed after June 30, 1989, receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the plan provisions in effect at the time they last terminated their public service.

**C. Contribution Rate**

Per *Minnesota Statutes*, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ended June 30, 2020, June 30, 2021, and June 30, 2022, were:

	June 30, 2020		June 30, 2021		June 30, 2022	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.92%	11.00%	11.00%	12.13%	11.00%	12.34%
Coordinated	7.92%	7.50%	7.50%	8.13%	7.50%	8.34%

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

*Tier II Benefits (Continued)*

The following is a reconciliation of employer contributions in TRA's ACFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations. Amounts are reported in thousands.

Employer contributions reported in TRA's CAFR Statement of Changes in Fiduciary Net Position	\$ 448,829
Deduct employer contributions not related to future contribution efforts	379
Deduct TRA's contributions not included in allocation	<u>(538)</u>
Total employer contributions	448,670
Total non-employer contributions	<u>37,840</u>
Total contributions reported in <i>Schedule of Employer and Non-Employer Pension Allocations</i>	<u><u>\$ 486,510</u></u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

**D. Actuarial Assumptions**

The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**D. Actuarial Assumptions (Continued)**

Key Methods and Assumptions Used in Valuation of Total Pension Liability

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**Actuarial Information**

Valuation date	July 1, 2021
Measurement date	June 30, 2021
Experience study	June 5, 2019 (demographic assumptions) November 6, 2017 (economic assumptions)
Actuarial cost method	Entry Age Normal
Actuarial assumptions	
Investment rate of return	7.00%
Price inflation	2.50%
Projected salary increase	2.85% to 8.85% before July 1, 2028 and 3.25 to 9.25 thereafter.
Cost of living adjustment	1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually.

**Mortality Assumptions**

Pre-retirement	RP 2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP 2015 scale.
Post-retirement	years and female rates set back three years, with further adjustments of the rates. Generational projections uses the MP 2015 scale.
Post-disability	RP 2014 disabled retiree mortality table, without adjustment.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table on the following page.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers’ Retirement Association (Continued)**

**D. Actuarial Assumptions (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	35.5 %	5.10 %
International equity	17.5	5.30
Private markets	25.0	5.90
Fixed income	20.0	0.75
Unallocated cash	2.0	0.00
 Total	 <u>100.0 %</u>	

The TRA actuary has determined the average of the expected remaining services lives of all members for fiscal year 2022 is six years. The "Difference Between Expected and Actual Experience," "Changes of Assumptions," and "Changes in Proportion" use the amortization period of six years in the schedule presented. The amortization period for "Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments" is over a period of five years as required by GASB 68.

Changes in actuarial assumptions and methods for the July 1, 2020, valuation:

- The investment return assumption was changed from 7.5% to 7.0%.

**E. Discount Rate**

The discount rate used to measure the total pension liability was 7.0%. The discount rate used to measure the total pension liability at the prior measurement date was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2021 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

**F. Net Pension Liability**

On June 30, 2022, the District reported a liability of \$11,238,336 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis, and Minneapolis School District. District proportionate share was 0.2568% at the end of the measurement period and 0.2550% for the beginning of the year.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**F. Net Pension Liability (Continued)**

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid and total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of net pension liability	\$ 11,238,336
State's proportionate share of the net pension liability associated with the District	947,970

For the year ended June 30, 2022, the District recognized pension expense of \$154,821. Included in this amount, the District recognized \$10,614 as pension expense for the support provided by direct aid.

On June 30, 2022, the District had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 302,251	\$ 321,653
Net difference between projected and actual earnings on plan investment	-	9,430,875
Changes of assumptions	4,118,347	10,191,679
Changes in proportion	336,896	539,566
Contributions to TRA subsequent to the measurement date	1,425,098	-
Total	\$ 6,182,592	\$ 20,483,773

The \$1,425,098 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**F. Net Pension Liability (Continued)**

Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2023	\$ (7,594,142)
2024	(5,811,312)
2025	(1,368,117)
2026	(1,768,152)
2027	815,444
Total	\$ (15,726,279)

**G. Pension Liability Sensitivity**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.0%) and 1 percent higher (8.0%).

District Proportionate Share of NPL		
1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
\$ 22,701,985	\$ 11,238,336	\$ 1,837,229

The District's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis, and Minneapolis School District.

**H. Pension Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That can be obtained at [www.MinnesotaTRA.org](http://www.MinnesotaTRA.org), or by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000, or by calling (651) 296-2409 or (800) 657-3669.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association**

**A. Plan Description**

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by PERA. PERA's defined benefit pension plan is established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

The General Employees Retirement Plan covers certain full time and part time employees of the District. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**B. Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1 the annuity accrual rate for a Coordinated Plan member is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1.0% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees’ Retirement Association (Continued)**

**C. Contributions**

*Minnesota Statutes* Chapter 353 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Plan Contributions

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2022 and the District was required to contribute 7.5% for Coordinated Plan members in fiscal year 2022. The District’s contributions to the General Employees Plan for the year ended June 30, 2022, were \$485,793. The District’s contributions were equal to the required contributions as set by state statute.

**D. Pension Costs**

General Employees Plan Pension Costs

At June 30, 2022, the District reported a liability of \$3,514,579 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$107,311.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0823% at the end of the measurement period and 0.0798% for the beginning of the period.

School's proportionate share of net pension liability	\$ 3,514,579
State of Minnesota's proportionate share of the net pension liability associated with the School	107,311
Total	\$ 3,621,890

For the year ended June 30, 2022, the District recognized pension expense of (\$10,650) for its proportionate share of the General Employees Plan's pension expense. Included in this amount, the District recognized an additional \$8,658 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

General Employees Plan Pension Costs (Continued)

At June 30, 2022, the District reported its proportionate share of deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 21,146	\$ 107,178
Changes in actuarial assumptions	2,145,929	75,623
Difference between projected and actual investments earnings	-	3,057,258
Changes in proportion	112,416	73,431
District's contributions to PERA subsequent to the measurement date	485,793	-
Total	\$ 2,765,284	\$ 3,313,490

The \$485,793 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related pensions will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2023	\$ (181,129)
2024	(29,142)
2025	6,474
2026	(830,202)
Total	\$ (1,033,999)

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Long-Term Expected Return on Investment**

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Final Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5 %	5.10 %
International stocks	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100.0 %	

**F. Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5%. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020, actuarial valuation.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees’ Retirement Association (Continued)**

**F. Actuarial Methods and Assumptions (Continued)**

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the previous valuation.

**G. Discount Rate**

The discount rate used to measure the total pension liability in 2021 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in *Minnesota Statutes*. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**H. Pension Liability Sensitivity**

The following table presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (5.5%)	Current Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
District's proportionate share of the PERA net pension liability	\$ 7,167,946	\$ 3,514,579	\$ 516,767

**I. Pension Plan Fiduciary Net Position**

Detailed information about the General Employees Fund's fiduciary net position is available in a separately-issued PERA financial report that includes the financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN**

**A. Plan Description**

The District provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. Medical coverage is administered by Blue Cross Blue Shield. It is the District's policy to periodically review its medical coverage, and to obtain requests for proposals in order to provide the most favorable benefits and premiums for District employees and retirees.

**B. Benefit Provided**

Teachers who apply for early retirement shall remain eligible to receive certain health insurance benefits until the end of the school year in which the teacher becomes Medicare eligible. Full vesting of such amounts occurs upon attaining 56 years of age. The General Fund, Food Service Fund and Community Service Fund typically liquidate the Liability related to OPEB.

**C. Members**

As of June 30, 2022, the following were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	24
Active employees	<u>372</u>
Total	<u><u>396</u></u>

**D. Contributions**

Retirees contribute to the health care plan at the same rate as District employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the District, based on the contract terms with Blue Cross Blue Shield. The required contributions are based on projected pay-as-you-go financing requirements. For the year 2022, the District contributed \$0 to the plan.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Investment rate of return	3.50%, net of investment expense long-term
Salary increases	Service graded table
Inflation	2.50%
Healthcare cost trend increases	6.25% in 2021 grading to 5.00% over five years
 Mortality Assumption	 Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2019 Generational Improvement Scale

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2019 – June 30, 2020.

The following changes in actuarial assumptions occurred in 2022:

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 3.1% to 3.5%.
- The discount rate was changed from 2.4% to 3.7%.

The long-term expected rate of return on OPEB plan investments was determined based on the plan's target investment allocation along with the long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered.

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic equity	20.00 %	7.50 %
Fixed income	79.95	2.00
Cash	0.05	0.01
Total	100.00 %	3.5 %

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**E. Actuarial Assumptions (Continued)**

The details of the investments and the investment policy are described in Note 2. of the District’s financial statements. For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investments expenses, was 3.50%.

**F. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.7%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**G. Changes in Net Other Post Employment Benefit Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021	\$ 2,215,961	\$ 1,618,341	\$ 597,620
Changes for the year			
Service cost	144,902	-	144,902
Interest	53,839	-	53,839
Assumption changes	(122,409)	-	(122,409)
Employer contributions	-	100,938	(100,938)
Projected investment income	-	56,642	(56,642)
Differences between expected and actual economic experience	-	(145,111)	145,111
Benefit payments	(236,532)	(236,532)	-
Administrative expense	-	(250)	250
Net changes	(160,200)	(224,313)	64,113
Balances at June 30, 2022	\$ 2,055,761	\$ 1,394,028	\$ 661,733
Plan fiduciary net position as a percentage of the total OPEB liability			67.81%

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**H. Other Post Employment Benefit Liability Sensitivity**

The following presents the District's net OPEB liability calculated using the discount rate of 3.7% as well as the liability measured using 1 percent lower and 1 percent higher than the current discount rate.

	1% Decrease in Discount Rate (2.7%)	Current Discount Rate (3.7%)	1% Increase in Discount Rate (4.7%)
Net OPEB Liability	\$ 778,418	\$ 661,733	\$ 547,864

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent lower and 1 percent higher than the current healthcare cost trend rates. The decrease in healthcare cost trend rates is over seven years.

	1% decrease (5.25% decreasing to 4.0%)	Current (6.25% decreasing to 5.0%)	1% increase (7.25% decreasing to 6.0%)
Net OPEB Liability	\$ 469,276	\$ 661,733	\$ 887,922

**I. Other Post Employment Benefit Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post Employment Benefit**

For the year ended June 30, 2022, the District recognized OPEB expense of (\$48,995). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability gains	\$ -	\$ 760,366
Assumption changes	86,191	193,962
Investment losses	59,067	-
Total	\$ 145,258	\$ 954,328

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**I. Other Post Employment Benefit Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post Employment Benefit (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Total
2023	\$ (191,677)
2024	(191,823)
2025	(176,223)
2026	(94,510)
2027	(137,350)
Thereafter	(17,487)
Total	\$ (809,070)

**J. Payable from the OPEB Plan**

At June 30, 2022, the OPEB plan reported a payable of \$82,426 to the District. The amount is reported as a payable on the OPEB Trust Fund Statement of Fiduciary Net Position.

**NOTE 8 – JOINT POWERS AGREEMENT**

The District entered into a joint powers agreement in February 1998 between and among eight other area independent school districts and Wright Technical Center No. 996 (WTC), a cooperative center for vocational education, to finance the acquisition and betterment of an addition to the existing WTC facilities.

The addition is being financed through capital lease agreements. Each participating district annually authorizes a leasing levy to cover their allocated portion of the lease payment based on the formula set out in the joint powers agreement. Participating districts will also be apportioned operating costs and continuing capital costs for the addition based on the current cost allocation formula.

Separately issued financial statements can be obtained from Wright Technical Center, 1400 Highway 25 North, Buffalo, Minnesota 55313-1936.

**Independent School District No. 727**  
**Notes to Basic Financial Statements**

**NOTE 9 – COMMITMENTS**

Description	Contract Amount	Expended Through June 30, 2022	Remaining Commitment
Middle school HVAC project	\$ 13,169,576	\$ 13,148,417	\$ 21,159
Independence HVAC project	1,332,842	303,773	1,029,069
High school HVAC dehumidification	1,473,618	861,723	611,895
High school renovation	307,875	64,914	242,961
High school and Liberty Controls replacement	1,829,800	440,840	1,388,960
High school roofing	1,212,151	60,624	1,151,527
Middle school roofing	713,610	64,560	649,050
Liberty roofing	2,618,300	1,627,179	991,121
Middle school sound systems	239,646	135,596	104,050
Independence boiler replacement and middle school HVAC project engineering	48,000	45,585	2,415
Total	<u>\$ 22,945,418</u>	<u>\$ 16,753,211</u>	<u>\$ 6,192,207</u>

**NOTE 10 – GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* establishes that a Subscription-Based Information Technology Arrangement (SBITA) results in a right-to-use subscription asset and a corresponding liability. Under this statement, a governmental entity generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. This statement will be effective for the year ending June 30, 2023.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Independent School District No. 727**  
**Schedule of Changes in Net OPEB Liability**  
**and Related Ratios**

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Total OPEB Liability				
Service cost	\$ 144,902	\$ 168,800	\$ 197,753	\$ 172,521
Interest	53,839	77,064	93,513	113,540
Changes of assumptions	(122,409)	(87,357)	96,832	72,013
Differenced between expected and actual experience	-	(751,726)	-	(521,316)
Benefit payments	(236,532)	(207,881)	(189,650)	(177,734)
Net change in total OPEB liability	<u>(160,200)</u>	<u>(801,100)</u>	<u>198,448</u>	<u>(340,976)</u>
Beginning of year	<u>2,215,961</u>	<u>3,017,061</u>	<u>2,818,613</u>	<u>3,159,589</u>
End of year	<u>\$ 2,055,761</u>	<u>\$ 2,215,961</u>	<u>\$ 3,017,061</u>	<u>\$ 2,818,613</u>
Plan Fiduciary Net Pension (FNP)				
Employer contributions	\$ 100,938	\$ 82,172	\$ -	\$ 89,079
Projected investment income	56,642	49,811	52,109	59,286
Differences between expected and actual experience	(145,111)	87,696	11,402	-
Benefit payments	(236,532)	(207,881)	(189,650)	(177,734)
Administrative expense	(250)	(250)	(4,033)	(250)
Net change in plan fiduciary net position	<u>(224,313)</u>	<u>11,548</u>	<u>(130,172)</u>	<u>(29,619)</u>
Beginning of year	<u>1,618,341</u>	<u>1,606,793</u>	<u>1,736,965</u>	<u>1,766,584</u>
End of year	<u>\$ 1,394,028</u>	<u>\$ 1,618,341</u>	<u>\$ 1,606,793</u>	<u>\$ 1,736,965</u>
Net OPEB liability	<u>\$ 661,733</u>	<u>\$ 597,620</u>	<u>\$ 1,410,268</u>	<u>\$ 1,081,648</u>
Plan FNP as a percentage of the total OPEB liability	67.81%	73.03%	53.26%	61.62%
Covered-employee payroll	\$ 21,624,099	\$ 20,994,271	\$ 20,561,896	\$ 19,963,006
Net OPEB liability as a percentage of covered-employee payroll	3.06%	2.85%	6.86%	5.42%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

<u>June 30, 2018</u>	<u>June 30, 2017</u>
\$ 180,473	\$ 192,545
94,654	93,888
(93,263)	-
-	-
<u>(209,937)</u>	<u>(285,466)</u>
<u>(28,073)</u>	<u>967</u>
<u>3,187,662</u>	<u>3,186,695</u>
<u>\$ 3,159,589</u>	<u>\$ 3,187,662</u>
\$ 112,897	\$ 152,807
64,821	43,551
(1,668)	36,699
(209,937)	(285,466)
(250)	(250)
<u>(34,137)</u>	<u>(52,659)</u>
<u>1,800,721</u>	<u>1,853,380</u>
<u>\$ 1,766,584</u>	<u>\$ 1,800,721</u>
<u>\$ 1,393,005</u>	<u>\$ 1,386,941</u>
55.91%	56.49%
\$ 19,228,177	\$ 18,668,133
7.24%	7.43%

**Independent School District No. 727**  
**Schedule of Employer Contributions - OPEB**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ 89,079
Contributions in relation to the actuarially Determined contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,079</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	<u>\$ 20,994,271</u>	<u>\$ 20,994,271</u>	<u>\$ 20,561,896</u>	<u>\$ 19,963,006</u>
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.45%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

<u>June 30, 2018</u>	<u>June 30, 2017</u>
\$ 112,897	\$ 152,807
<u>112,897</u>	<u>152,807</u>
<u>\$ -</u>	<u>\$ -</u>
<u>\$ 19,228,177</u>	<u>\$ 18,668,133</u>
0.59%	0.82%

**Independent School District No. 727**  
**Schedule of Investment Returns**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	3.50%	3.10%	3.00%	3.40%	3.50%	4.30%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Independent School District No. 727**  
**Schedule of District's and Non-Employer Proportionate Share**  
**(if Applicable) of Net Pension Liability**  
**Last Ten Years General Employees Retirement Fund**

For Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.0950%	\$ 4,462,624	\$ -	\$ -	\$ 4,986,276	89.5%	78.75%
2015	0.0919%	4,762,735	-	-	5,459,160	87.2%	78.19%
2016	0.0889%	7,218,239	94,209	7,312,448	5,513,720	130.9%	68.91%
2017	0.0843%	5,381,656	67,686	5,449,342	5,432,067	99.1%	75.90%
2018	0.0843%	4,676,618	153,463	4,830,081	5,667,080	82.5%	79.53%
2019	0.0806%	4,456,193	138,494	4,594,687	5,705,227	78.1%	80.23%
2020	0.0798%	4,784,375	147,603	4,931,978	5,691,653	84.1%	79.06%
2021	0.0823%	3,514,579	107,311	3,621,890	5,923,987	59.3%	87.00%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of District's and Non-Employer Proportionate Share**  
**(if Applicable) of Net Pension Liability**  
**Last Ten Years TRA Retirement Fund**

For Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.2996%	\$ 13,805,352	\$ 971,259	\$ 14,776,611	\$ 13,677,649	100.9%	81.50%
2015	0.2673%	16,535,149	2,028,282	18,563,431	13,729,307	120.4%	78.77%
2016	0.2592%	61,825,385	6,205,287	68,030,672	13,481,080	458.6%	44.88%
2017	0.2607%	52,040,449	5,030,565	57,071,014	14,031,107	370.9%	51.57%
2018	0.2577%	16,185,972	1,520,654	17,706,626	14,239,253	113.7%	78.07%
2019	0.2630%	16,763,675	1,483,666	18,247,341	14,931,686	112.3%	78.21%
2020	0.2550%	18,839,742	1,578,998	20,418,740	14,817,563	127.1%	75.48%
2021	0.2568%	11,238,336	947,970	12,186,306	15,369,213	73.1%	86.63%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Independent School District No. 727  
Schedule of District Contributions  
General Employees Retirement Fund  
Last Ten Years**

For Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 361,505	\$ 361,505	\$ -	\$ 4,986,276	7.25%
2015	409,437	409,437	-	5,459,160	7.50%
2016	413,529	413,529	-	5,513,720	7.50%
2017	407,405	407,405	-	5,432,067	7.50%
2018	425,031	425,031	-	5,667,080	7.50%
2019	427,892	427,892	-	5,705,227	7.50%
2020	426,874	426,874	-	5,691,653	7.50%
2021	444,299	444,299	-	5,923,987	7.50%
2022	485,793	485,793	-	6,477,240	7.50%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of District Contributions  
TRA Retirement Fund  
Last Ten Years**

For Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 957,435	\$ 957,435	\$ -	\$ 13,677,649	7.00%
2015	1,029,698	1,029,698	-	13,729,307	7.50%
2016	1,011,081	1,011,081	-	13,481,080	7.50%
2017	1,052,333	1,052,333	-	14,031,107	7.50%
2018	1,067,944	1,067,944	-	14,239,253	7.50%
2019	1,151,233	1,151,233	-	14,931,686	7.71%
2020	1,173,551	1,173,551	-	14,817,563	7.92%
2021	1,249,517	1,249,517	-	15,369,213	8.13%
2022	1,425,098	1,425,098	-	17,087,506	8.34%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**TRA Retirement Fund**

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.5% to 7.0%.

**2020 Changes**

Changes in Actuarial Assumptions

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP 2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

**2019 Changes**

Changes in Actuarial Assumptions

- None

**2018 Changes**

Changes in Actuarial Assumptions

- The discount rate was increased to 7.50% from 5.12%.
- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019, and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to 0.0% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**TRA Retirement Fund (Continued)**

**2017 Changes**

Changes in Actuarial Assumptions

- The discount rate was increased to 5.12% from 4.66%.
- The cost of living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

**2016 Changes**

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back 6 years and female rates set back 5 years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back 3 years and female rates set back 3 years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**TRA Retirement Fund (Continued)**

**2015 Changes**

Changes of Benefit Terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**General Employees Fund**

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**2019 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**General Employees Fund (Continued)**

**2019 Changes (Continued)**

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31 million to \$21 million per year. The State's special funding contribution was changes prospectively, requiring \$16 million due per year through 2031.

**2018 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.0%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**2017 Changes**

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The State's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**General Employees Fund (Continued)**

**2016 Changes**

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**2015 Changes**

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

**Independent School District No. 727**  
**Notes to the Required Supplementary Information**

**Post Employment Health Care Plan**

**2022 Changes**

Changes in Actuarial Assumptions:

- The expected long-term investment return was changed from 3.1% to 3.5%.
- The discount rate was changed from 2.4% to 3.7%.

**2021 Changes**

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 3.0% to 3.1%.
- The discount rate was changed from 2.5% to 2.4%.

**2020 Changes**

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 3.4% to 3.0%.
- The discount rate was changed from 3.2% to 2.5%.

**2019 Changes**

Changes in Actuarial Assumptions

- The health care trend rates were changed to better anticipate short term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The expected long-term investment return was changed from 3.6% to 3.4%.
- The discount rate was changed from 3.5% to 3.2%.

**2018 Changes**

- For the fiscal year ended June 30, 2018, the expected long-term investment return was changed from 2.35% to 3.60% and the discount rate was changed from 2.90% to 3.50%.

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**SUPPLEMENTRY INFORMATION**

**Combining Balance Sheet -  
Nonmajor Governmental Funds  
June 30, 2022**

	<u>Special Revenue Funds</u>		Total Nonmajor Funds
	<u>Food Service</u>	<u>Community Service</u>	
<b>Assets</b>			
Cash and investments (including cash equivalents)	\$ 723,848	\$ 1,168,491	\$ 1,892,339
Current property taxes receivable	-	150,425	150,425
Delinquent property taxes receivable	-	3,996	3,996
Accounts receivable	30	29,878	29,908
Due from Department of Education	1,090	33,906	34,996
Due from Federal Government through Department of Education	59,590	32,021	91,611
Due from other Minnesota school districts	-	21,985	21,985
Due from other governmental units	-	13,399	13,399
Inventory	35,392	-	35,392
	<u>\$ 819,950</u>	<u>\$ 1,454,101</u>	<u>\$ 2,274,051</u>
<b>Liabilities</b>			
Accounts payable	\$ 70,403	\$ 25,533	\$ 95,936
Salaries and benefits payable	453	163,758	164,211
Due to other governmental units	-	704	704
Unearned revenue	43,360	34,443	77,803
Total liabilities	<u>114,216</u>	<u>224,438</u>	<u>338,654</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - delinquent property taxes	-	3,996	3,996
Property taxes levied for subsequent year's expenditures	-	313,062	313,062
Total deferred inflows of resources	<u>-</u>	<u>317,058</u>	<u>317,058</u>
<b>Fund Balances</b>			
Nonspendable	35,392	-	35,392
Restricted	670,342	943,683	1,614,025
Unassigned	-	(31,078)	(31,078)
Total fund balances	<u>705,734</u>	<u>912,605</u>	<u>1,618,339</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 819,950</u>	<u>\$ 1,454,101</u>	<u>\$ 2,274,051</u>

**Independent School District No. 727**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances -**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2022**

	<u>Special Revenue Funds</u>		Total Nonmajor Funds
	<u>Food Service</u>	<u>Community Service</u>	
<b>Revenues</b>			
Local property taxes	\$ -	\$ 307,747	\$ 307,747
Other local and county revenues	2,422	1,900,187	1,902,609
Revenue from state sources	61,166	286,653	347,819
Revenue from federal sources	2,123,855	195,924	2,319,779
Sales and other conversion of assets	175,656	18,570	194,226
Total revenues	<u>2,363,099</u>	<u>2,709,081</u>	<u>5,072,180</u>
<b>Expenditures</b>			
Current			
Food service	1,857,756	-	1,857,756
Community education and services	-	2,399,300	2,399,300
Capital outlay	1,243	33,052	34,295
Total expenditures	<u>1,858,999</u>	<u>2,432,352</u>	<u>4,291,351</u>
Excess of revenues over expenditures	504,100	276,729	780,829
<b>Fund Balances</b>			
Beginning of year	<u>201,634</u>	<u>635,876</u>	<u>837,510</u>
End of year	<u>\$ 705,734</u>	<u>\$ 912,605</u>	<u>\$ 1,618,339</u>

**Independent School District No. 727**  
**Detailed Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 5,026,373	\$ 5,021,961	\$ 5,104,980	\$ 83,019
Other local and county revenues	837,959	900,053	1,007,066	107,013
Revenue from state sources	29,493,892	30,844,723	31,054,885	210,162
Revenue from federal sources	1,286,928	1,873,024	1,832,048	(40,976)
Sales and other conversion of assets	58,600	57,600	32,949	(24,651)
Total revenues	<u>36,703,752</u>	<u>38,697,361</u>	<u>39,031,928</u>	<u>334,567</u>
<b>Expenditures</b>				
Current				
Administration				
Salaries	1,024,342	1,015,237	1,026,115	10,878
Employee benefits	357,702	346,295	338,023	(8,272)
Purchased services	20,297	41,935	45,614	3,679
Supplies and materials	5,130	4,283	2,931	(1,352)
Capital expenditures	7,500	6,500	5,573	(927)
Other expenditures	52,917	25,212	24,640	(572)
Total administration	<u>1,467,888</u>	<u>1,439,462</u>	<u>1,442,896</u>	<u>3,434</u>
District support services				
Salaries	753,650	764,810	724,450	(40,360)
Employee benefits	264,261	360,368	227,132	(133,236)
Purchased services	228,800	286,310	289,460	3,150
Supplies and materials	14,700	11,965	11,264	(701)
Capital expenditures	37,811	-	-	-
Other expenditures	38,850	(16,078)	(2,399)	13,679
Total district support services	<u>1,338,072</u>	<u>1,407,375</u>	<u>1,249,907</u>	<u>(157,468)</u>
Elementary and secondary				
Regular instruction				
Salaries	11,189,322	11,246,820	11,474,671	227,851
Employee benefits	3,973,643	3,940,687	3,983,169	42,482
Purchased services	749,064	784,493	803,037	18,544
Supplies and materials	737,992	721,616	776,665	55,049
Capital expenditures	284,011	256,747	170,554	(86,193)
Other expenditures	47,773	24,287	24,219	(68)
Total elementary and secondary regular instruction	<u>16,981,805</u>	<u>16,974,650</u>	<u>17,232,315</u>	<u>257,665</u>

**Independent School District No. 727**  
**Detailed Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures</b>				
Current (continued)				
Vocational education instruction				
Salaries	\$ 333,027	\$ 323,868	\$ 306,042	\$ (17,826)
Employee benefits	151,980	149,672	139,005	(10,667)
Purchased services	164,857	164,961	164,964	3
Supplies and materials	32,900	32,735	32,735	-
Capital expenditures	1,500	-	-	-
Total vocational education instruction	<u>684,264</u>	<u>671,236</u>	<u>642,746</u>	<u>(28,490)</u>
Special education instruction				
Salaries	5,956,912	5,733,736	5,663,129	(70,607)
Employee benefits	2,623,610	2,534,177	2,448,073	(86,104)
Purchased services	276,457	268,683	273,063	4,380
Supplies and materials	56,521	39,721	20,079	(19,642)
Capital expenditures	-	13,100	14,060	960
Total special education instruction	<u>8,913,500</u>	<u>8,589,417</u>	<u>8,418,404</u>	<u>(171,013)</u>
Instructional support services				
Salaries	1,479,986	1,436,342	1,352,251	(84,091)
Employee benefits	494,198	504,696	493,141	(11,555)
Purchased services	92,425	84,575	77,928	(6,647)
Supplies and materials	527,063	363,051	282,023	(81,028)
Capital expenditures	262,500	126,449	57,307	(69,142)
Other expenditures	3,925	3,339	2,791	(548)
Total instructional support services	<u>2,860,097</u>	<u>2,518,452</u>	<u>2,265,441</u>	<u>(253,011)</u>
Pupil support services				
Salaries	653,607	904,072	859,592	(44,480)
Employee benefits	228,711	320,894	275,916	(44,978)
Purchased services	2,146,272	2,131,941	2,054,262	(77,679)
Supplies and materials	26,750	163,374	161,095	(2,279)
Capital expenditures	-	2,167	-	(2,167)
Other expenditures	320	700	133	(567)
Total pupil support services	<u>3,055,660</u>	<u>3,523,148</u>	<u>3,350,998</u>	<u>(172,150)</u>

**Independent School District No. 727**  
**Detailed Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures</b>				
Current (continued)				
Sites and buildings				
Salaries	\$ 1,161,684	\$ 1,151,079	\$ 1,147,607	\$ (3,472)
Employee benefits	549,311	527,338	523,239	(4,099)
Purchased services	1,552,593	1,633,593	1,495,174	(138,419)
Supplies and materials	186,000	203,330	193,604	(9,726)
Capital expenditures	258,938	312,311	302,334	(9,977)
Other expenditures	1,500	765	765	-
Total sites and buildings	<u>3,710,026</u>	<u>3,828,416</u>	<u>3,662,723</u>	<u>(165,693)</u>
Fiscal and other fixed cost programs				
Purchased services	196,764	199,957	183,438	(16,519)
Other expenditures	11,000	11,000	9,800	(1,200)
Total fiscal and other fixed Cost programs	<u>207,764</u>	<u>210,957</u>	<u>193,238</u>	<u>(17,719)</u>
Debt Service				
Principal	56,386	56,386	56,386	-
Interest and fiscal charges	1,071	1,071	1,071	-
Total debt service	<u>57,457</u>	<u>57,457</u>	<u>57,457</u>	<u>-</u>
Total expenditures	<u>39,276,533</u>	<u>39,220,570</u>	<u>38,516,125</u>	<u>(704,445)</u>
Excess of revenues over (under) expenditures	(2,572,781)	(523,209)	515,803	1,039,012
<b>Other Financing Sources</b>				
Proceeds from sale of capital assets	-	-	1,022	1,022
Insurance recovery	-	105,000	26,756	(78,244)
Total other financing sources	<u>-</u>	<u>105,000</u>	<u>27,778</u>	<u>(77,222)</u>
Net change in fund balances	<u>\$ (2,572,781)</u>	<u>\$ (418,209)</u>	543,581	<u>\$ 961,790</u>
<b>Fund Balance</b>				
Beginning of year			<u>11,398,312</u>	
End of year			<u>\$ 11,941,893</u>	

**Independent School District No. 727**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - Food Service Fund**  
**Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Other local and county revenues	\$ 424	\$ 4,424	\$ 2,422	\$ (2,002)
Revenue from state sources	35,011	59,161	61,166	2,005
Revenue from federal sources	1,587,950	2,082,249	2,123,855	41,606
Sales and other conversion of assets	196,550	160,100	175,656	15,556
Total revenues	<u>1,819,935</u>	<u>2,305,934</u>	<u>2,363,099</u>	<u>57,165</u>
<b>Expenditures</b>				
Current				
Food service	1,737,109	1,915,668	1,857,756	(57,912)
Capital outlay				
Food service	45,000	-	1,243	1,243
Total expenditures	<u>1,782,109</u>	<u>1,915,668</u>	<u>1,858,999</u>	<u>(56,669)</u>
Excess of revenues over expenditures	<u>\$ 37,826</u>	<u>\$ 390,266</u>	504,100	<u>\$ 113,834</u>
<b>Fund Balance</b>				
Beginning of year			<u>201,634</u>	
End of year			<u>\$ 705,734</u>	

**Statement of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Community Service Fund  
Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 304,766	\$ 304,764	\$ 307,747	\$ 2,983
Other local and county revenues	1,231,560	1,540,338	1,900,187	359,849
Revenue from state sources	278,427	283,751	286,653	2,902
Revenue from federal sources	-	164,107	195,924	31,817
Sales and other conversion of assets	12,100	12,100	18,570	6,470
Total revenues	<u>1,826,853</u>	<u>2,305,060</u>	<u>2,709,081</u>	<u>404,021</u>
<b>Expenditures</b>				
Current				
Community education and services	1,899,190	2,211,643	2,399,300	187,657
Capital outlay				
Community education and services	12,255	29,255	33,052	3,797
Total expenditures	<u>1,911,445</u>	<u>2,240,898</u>	<u>2,432,352</u>	<u>191,454</u>
Excess of revenues over (under) expenditures	<u>\$ (84,592)</u>	<u>\$ 64,162</u>	276,729	<u>\$ 212,567</u>
<b>Fund Balance</b>				
Beginning of year			<u>635,876</u>	
End of year			<u>\$ 912,605</u>	

**Independent School District No. 727**  
**Uniform Financial Accounting and Reporting Standards**  
**Compliance Table**  
**Year Ended June 30, 2022**

	Audit	UFARS	Audit- UFARS		Audit	UFARS	Audit- UFARS
<b>01 GENERAL FUND</b>							
Total revenue	\$ 39,031,928	\$ 39,031,932	\$ (4)		\$ (230,033)	\$ (230,033)	\$ -
Total expenditures	38,516,125	38,516,125	-		7,603,653	7,603,653	-
<i>Nonspendable:</i>							
4.60 Nonspendable fund balance	60,752	60,752	-				
<i>Restricted/reserved:</i>							
4.01 Student Activities	22,993	22,993	-				
4.02 Scholarships	24,750	24,750	-				
4.03 Staff Development	125,534	125,534	-				
4.07 Capital Projects Levy	521,817	521,817	-				
4.08 Cooperative Programs	-	-	-				
4.09 Alternative Facility Program	-	-	-				
4.13 Building Projects Funded by COP/LP	-	-	-				
4.14 Operating Debt	-	-	-				
4.16 Levy Reduction	-	-	-				
4.17 Taconite Building Maintenance	-	-	-				
4.24 Operating Capital	758,930	758,930	-				
4.26 \$25 Taconite	-	-	-				
4.27 Disabled Accessibility	-	-	-				
4.28 Learning and Development	-	-	-				
4.34 Area Learning Center	30,462	30,462	-				
4.35 Contracted Alternative Programs	-	-	-				
4.36 State Approved Alternative Program	-	-	-				
4.38 Gifted and Talented	-	-	-				
4.40 Teacher Development and Evaluation	-	-	-				
4.41 Basic Skills Programs	30,157	30,157	-				
4.46 First Grade Preparedness	-	-	-				
4.48 Achievement and Integration	-	-	-				
4.49 Safe School Crime	-	-	-				
4.51 QZAB Payments	-	-	-				
4.52 OPEB Liabilities not Held in Trust	-	-	-				
4.53 Unfunded Severance and Retirement Levy	-	-	-				
4.59 Basic Skills Extended Time	-	-	-				
4.67 Long-term Facilities Maintenance	133,946	133,946	-				
4.72 Medical Assistance	260,211	260,211	-				
4.75 Title VII - Impact Aid	-	-	-				
4.76 Payments in Lieu of Taxes	-	-	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	-	-	-				
<i>Committed:</i>							
4.18 Committed for separation	937,026	937,026	-				
4.61 Committed fund balance	29,120	29,120	-				
<i>Assigned:</i>							
4.62 Assigned fund balance	1,122,933	1,122,934	(1)				
<i>Unassigned:</i>							
4.22 Unassigned fund balance (net position)	7,883,262	7,883,265	(3)				
<b>02 FOOD SERVICE FUND</b>							
Total revenue	\$ 2,363,099	\$ 2,363,097	\$ 2				
Total expenditures	1,858,999	1,858,995	4				
<i>Nonspendable:</i>							
4.62 Nonspendable fund balance	35,392	35,392	-				
<i>Restricted/Reserved:</i>							
4.52 OPEB liabilities not held in trust	-	-	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	670,342	670,341	1				
<i>Unassigned:</i>							
4.63 Unassigned fund balance	-	-	-				
<b>04 COMMUNITY SERVICE FUND</b>							
Total revenue	\$ 2,709,081	\$ 2,709,082	\$ (1)				
Total expenditures	2,432,352	2,432,353	(1)				
<i>Capital lease payable</i>							
4.60 Nonspendable fund balance	-	-	-				
<i>Restricted/reserved:</i>							
4.26 \$25 Taconite	-	-	-				
4.31 Community Education	814,484	814,484	-				
4.32 ECFE	125,032	125,032	-				
4.40 Teacher Development and Evaluation	-	-	-				
4.44 School Readiness	(31,078)	(31,078)	-				
4.47 Adult Basic Education	-	-	-				
4.52 OPEB Liabilities not Held in Trust	-	-	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	4,167	4,167	-				
<i>Unassigned:</i>							
4.63 Unassigned fund balance	-	-	-				
<b>06 BUILDING CONSTRUCTION FUND</b>							
Total revenue	\$ (230,033)	\$ (230,033)	\$ -				
Total expenditures	7,603,653	7,603,653	-				
<i>Nonspendable:</i>							
4.60 Nonspendable fund balance	-	-	-				
<i>Restricted/reserved:</i>							
4.07 Capital Projects Levy	-	-	-				
4.09 Alternative Facility Program	-	-	-				
4.67 LTFM	1,106,865	1,106,865	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	26,483,468	26,483,468	-				
<i>Unassigned:</i>							
4.63 Unassigned fund balance	-	-	-				
<b>07 DEBT SERVICE FUND</b>							
Total revenue	\$ 5,716,236	\$ 5,716,235	\$ 1				
Total expenditures	6,126,161	6,126,161	-				
<i>Nonspendable:</i>							
4.60 Nonspendable fund balance	-	-	-				
<i>Restricted/reserved:</i>							
4.25 Bond refunding	-	-	-				
4.33 Maximum effort loan aid	-	-	-				
4.51 QZAB payments	-	-	-				
4.67 LTFM	-	-	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	1,582,724	1,582,723	1				
<i>Unassigned:</i>							
4.63 Unassigned fund balance	-	-	-				
<b>08 TRUST FUND</b>							
Total revenue	\$ -	\$ -	\$ -				
Total expenditures	-	-	-				
<i>Unassigned:</i>							
4.01 Student Activities	-	-	-				
4.02 Scholarships	-	-	-				
4.22 Net position	-	-	-				
<b>18 CUSTODIAL FUND</b>							
Total revenue	\$ -	\$ -	\$ -				
Total expenditures	-	-	-				
<i>Unassigned:</i>							
4.01 Student Activities	-	-	-				
4.02 Scholarships	-	-	-				
4.48 Achievement and Integration	-	-	-				
4.64 Restricted	-	-	-				
<b>20 INTERNAL SERVICE FUND</b>							
Total revenue	\$ -	\$ -	\$ -				
Total expenditures	-	-	-				
<i>Unassigned:</i>							
4.22 Net position	-	-	-				
<b>25 OPEB REVOCABLE TRUST</b>							
Total revenue	\$ -	\$ -	\$ -				
Total expenditures	-	-	-				
<i>Unassigned:</i>							
4.22 Net position	-	-	-				
<b>45 OPEB IRREVOCABLE TRUST</b>							
Total revenue	\$ (85,448)	\$ (85,448)	\$ -				
Total expenditures	138,865	138,865	-				
<i>Unassigned:</i>							
4.22 Net position	1,394,029	1,394,028	1				
<b>47 OPEB DEBT SERVICE</b>							
Total revenue	\$ -	\$ -	\$ -				
Total expenditures	-	-	-				
<i>Nonspendable:</i>							
4.60 Nonspendable fund balance	-	-	-				
<i>Restricted:</i>							
4.64 Restricted fund balance	-	-	-				
<i>Unassigned:</i>							
4.63 Unassigned fund balance	-	-	-				

**Independent School District No. 727**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2022**

Federal Funding Source	Federal CFDA Number	Pass Through Entity	Grant Name	Expenditures
U.S. Department of Agriculture	10.553	Minnesota Department of Education	School Breakfast	\$ 332,234
U.S. Department of Agriculture	10.555	Minnesota Department of Education	Type A Lunch and Commodities Programs	1,563,714
U.S. Department of Agriculture	10.555	Minnesota Department of Education	Commodities (Noncash)	127,548
U.S. Department of Agriculture	10.555C	Minnesota Department of Education	Supply Chain Assistance	54,056
U.S. Department of Agriculture	10.559	Minnesota Department of Education	COVID-19 Summer Food Service	44,707
			Total Child Nutrition Cluster	<u>2,122,259</u>
U.S. Department of Education	10.649	Minnesota Department of Education	State Pandemic Electronic Benefit Transfer Administrative	3,110
U.S. Department of Education	84.010	Minnesota Department of Education	Title I, Part A	258,017
U.S. Department of Education	84.424	Minnesota Department of Education	Title IV, Part A - Student Support and Academic Enrichment	15,977
U.S. Department of Education	84.367	Minnesota Department of Education	Title II, Part A - Teacher and Principal Training and Recruiting	58,171
U.S. Department of Health and Human Services	93.323	Minnesota Department of Education	MN COVID Testing Program	163,664
U.S. Department of Health and Human Services	93.959	Minnesota Department of Education	PCN Grant	182,601
U.S. Department of Health and Human Services	93.575	Minnesota Department of Education	DHS Childcare	73,358
U.S. Department of Education	84.027	Independent School District No. 882	Special Education	82,460
U.S. Department of Education	84.027X	Independent School District No. 882	ARP Special Education	13,225
			Total Special Education Cluster	<u>95,685</u>
U.S. Department of Treasury	21.027	Minnesota Department of Education	COVID-19 American Rescue Plan Summer Academic Enrichment and Mental Health	36,609
U.S. Department of Treasury	21.027	Minnesota Department of Education	COVID-19 Summer Preschool Program	12,799
U.S. Department of Treasury	21.027	Minnesota Department of Education	COVID-19 ABE ARP	6,153
U.S. Department of Treasury	21.027	Minnesota Department of Education	COVID-19 Pandemic Enrollment Loss	42,849
			Total American Rescue Plan Cluster	<u>98,410</u>
U.S. Department of Education	84.425	Minnesota Department of Education	COVID-19 Elementary and Secondary Schools Education Relief (ESSER) Fund	7,102
U.S. Department of Education	84.425D	Minnesota Department of Education	COVID-19 ESSER II Fund	835,987
U.S. Department of Education	84.425W	Minnesota Department of Education	COVID-19 ARP Homeless II	50
U.S. Department of Education	84.425U	Minnesota Department of Education	COVID-19 ESSER III Fund	49,075
U.S. Department of Education	84.425C	Minnesota Department of Education	COVID-19 Expanded Summer Learning - GEER	11,734
U.S. Department of Education	84.425D	Minnesota Department of Education	COVID-19 Expanded Summer Learning - ESSER	117,680
U.S. Department of Education	84.425C	Minnesota Department of Education	COVID-19 Summer School Age Care	58,950
			Total Education Stabilization Fund	<u>1,080,578</u>
		Total Federal Expenditures		<u>\$ 4,151,830</u>

**Independent School District No. 727**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2022**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the modified accrual basis financial statements.

**NOTE 2 – PASS-THROUGH GRANT NUMBERS**

All pass-through entities listed above use the same Assistance Listing numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

**NOTE 3 – INVENTORY**

Inventories of commodities donated by the U.S. Department of Agriculture are recorded at market value in the Food Service Fund as inventory. Revenue and expenditures are recorded when commodities are used.

**NOTE 4 – INDIRECT COST RATE**

The District did not elect to use the 10 percent de minimis indirect cost rate, as allowed under the Uniform Guidance.

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**Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

**Independent Auditor's Report**

To the School Board  
Independent School District No. 727  
Big Lake, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 727, Big Lake, Minnesota, as of and for the year ended June 30, 2022, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 8, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control described in the accompanying Schedule of Findings and Questioned Costs in Accordance with the Uniform Guidance that we consider to be a significant deficiency in internal control, Audit Finding 2022-001.

### **Report on Compliance and Other Matters**

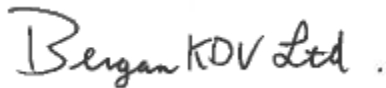
As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **District's Response to the Findings**

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs in Accordance with the Uniform Guidance. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Minneapolis, Minnesota  
November 8, 2022

**Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance****Independent Auditor's Report**

To the School Board  
Independent School District No. 727  
Big Lake, Minnesota

**Report on Compliance for Each Major Federal Program****Opinion on Each Major Federal Program**

We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2022. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District 's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District 's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District 's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District 's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Report on Internal Control over Compliance (Continued)**

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Minneapolis, Minnesota  
November 8, 2022

**Independent School District No. 727  
Schedule of Findings and Questioned Costs  
in Accordance the Uniform Guidance**

**SECTION I – SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).
----------------------------------	---

Internal control over financial reporting:	
<ul style="list-style-type: none"> <li>• Material weakness(es) identified?</li> <li>• Significant deficiency(ies) identified</li> </ul>	<p>No</p> <p>Yes, Audit Finding 2022-001</p>

Noncompliance material to financial statements noted?	No
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**Federal Awards**

Type of auditor's report issued on compliance for major programs:	Unmodified
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Internal control over major programs:	
<ul style="list-style-type: none"> <li>• Material weakness(es) identified?</li> <li>• Significant deficiency(ies)</li> </ul>	<p>No</p> <p>None reported</p>

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516?	No
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**Identification of Major Programs**

Assistance Listing No:	84.425
Name of Federal Program or Cluster:	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
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Auditee qualified as low risk auditee?	Yes
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**Independent School District No. 727  
Schedule of Findings and Questioned Costs  
in Accordance with the Uniform Guidance**

**SECTION II – BASIC FINANCIAL STATEMENT FINDINGS**

**Audit Finding 2022-001**

*Criteria or Specific Requirement:*

Internal control that supports the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements requires adequate segregation of accounting duties.

*Condition:*

During the year ended June 30, 2022, the District had a lack of segregation of accounting duties in the cash disbursements, receipts, and payroll processes due to a limited number of office employees. Although this meets the definition of a "significant deficiency," it may not be practical to correct since the costs of obtaining desirable segregation of accounting duties may exceed benefits that could be derived.

**Cash Disbursement Process**

- The Accounts Payable Specialist and/or the Accountant matches purchase orders to invoices, enters invoices into SMART, runs, prints, and mails checks. The Director of Business Services reviews check stubs and invoices if the Accountant has input invoices in the Accounts Payable Specialist's absence.

**Cash Receipt**

- The Administrative Assistant at each building can receipt cash, prepare deposit slips, and reconcile the deposit.
- The Community Education Director and Administrative Assistant can collect money, prepare the deposit, and also can perform the reconciliation to the deposit.

**Payroll**

- The Payroll Specialist reviews and inputs timesheets, calculates payroll, and generates payroll and also has access to change pay rates in the system. The Human Resources Coordinator reviews payroll runs.

*Context:*

This finding impacts the internal control for all significant accounting functions.

*Effect:*

The lack of adequate segregation of accounting duties could adversely affect the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements.

**Independent School District No. 727  
Schedule of Findings and Questioned Costs  
in Accordance with the Uniform Guidance**

**SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Audit Finding 2022-001 (Continued)**

*Cause:*

There are a limited number of office employees.

*Recommendation:*

Continue to review the accounting system, including changes that may occur. Implement segregation whenever practical.

*Management's Response:*

**CORRECTIVE ACTION PLAN (CAP):**

1. Explanation of Disagreement with Audit Finding

There is no disagreement with the audit finding.

2. Actions Planned in Response to Finding

The District has implemented mitigating controls to overcome the lack of segregation of accounting duties. Examples are provided on the following page for specific areas in which the District was cited.

A. Cash Disbursement Process

The Director of Business Services or Accountant reviews invoices with check stubs and purchase orders for unusual transactions or alterations. The Director of Business Services or Accountant also reviews for supervisor approval and proper documentation. The check stubs are initialed by the Director of Business Services or Accountant indicating such review has taken place.

On a monthly basis, detailed budget reports are sent to building and program administrators for review. In addition, the Director of Business Services currently reviews detailed budgeted line items on at least a quarterly basis for significant variances.

B. Cash Receipt Process

The District operates on a decentralized cash receipts process in which each building reconciles and prepares the deposits for the bank. Copies of the deposit slips are forwarded to the District Accountant, who ensures all deposits are properly credited to the District bank account during the bank reconciliation process. The Director of Business Services and building and administrator budget managers monitor receipts and revenue for significant fluctuations or unusual variations.

**Independent School District No. 727  
Schedule of Findings and Questioned Costs  
in Accordance with the Uniform Guidance**

**SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Audit Finding 2022-001 (Continued)**

*Management's Response: (Continued)*

**CORRECTIVE ACTION PLAN (CAP): (CONTINUED)**

1. Actions Planned in Response to Finding

C. Payroll Process

The District Accountant posts the payroll to the general ledger and on a quarterly basis, reviews salary and benefit line item budgets with expected results based on the staffing budget. The District Accountant also reconciles all payroll liability accounts on a monthly basis and variations or fluctuations are communicated to the Payroll Specialist or Human Resources Coordinator.

2. Official Responsible for Ensuring CAP

Angie Manuel, Director of Business Services, is the official responsible for ensuring corrective action of the deficiency.

3. Planned Completion Date for CAP

The planned completion date is ongoing.

4. Plan to Monitor Completion of CAP

The School Board will be monitoring the corrective action plan.

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

There were no federal award findings or questioned costs.

**SECTION IV – PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

There were no prior year findings or questioned costs.

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**Minnesota Legal Compliance**

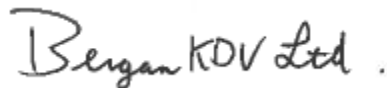
**Independent Auditor's Report**

To the School Board  
Independent School District No. 727  
Big Lake, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 727, Big Lake, Minnesota, as of and for the year ended June 30, 2022, and the related notes to financial statements, and have issued our report thereon dated November 8, 2022.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, charters schools, and uniform financial accounting and reporting standards for school districts sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.



Minneapolis, Minnesota  
November 8, 2022

**Independent School District No. 727  
Big Lake, Minnesota**

**Communications Letter**

**June 30, 2022**

**Independent School District No. 727**  
**Table of Contents**

Report on Matters Identified as a Result of the Audit of the Basic Financial Statements	1
Significant Deficiency	3
Required Communication	4
Financial Analysis	9
Legislative Summary	22
Emerging Issues	24

**Report on Matters Identified as a Result of  
the Audit of the Basic Financial Statements**

To the School Board and Management  
Independent School District No. 727  
Big Lake, Minnesota

In planning and performing our audit of the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 727, Big Lake, Minnesota, as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

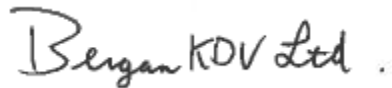
We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The significant deficiency identified is stated within this letter.

The District's written response to the significant deficiency identified in our audit has not been subjected to audit procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated November 8, 2022, on such statements.

This communication, which is an integral part of our audit, is intended solely for the information and use of management, the School Board, others within the District, and state oversight agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "BergankDV Ltd." with a period at the end. The signature is written in a cursive, slightly slanted style.

Minneapolis, Minnesota  
November 8, 2022

**Independent School District No. 727**  
**Significant Deficiency**

**Lack of Segregation of Accounting Duties**

The District had a lack of segregation of accounting duties in the cash disbursements, receipts, and payroll processes due to a limited number of office employees. The lack of adequate segregation of accounting duties could adversely affect the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements.

Although this meets the definition of a "significant deficiency," it may not be practical to correct since the costs of obtaining desirable segregation of accounting duties may exceed benefits that could be derived.

**Cash Disbursement Process**

- The Accounts Payable Specialist and/or the District Accountant matches purchase orders to invoices, enters invoices into SMART finance, runs, prints, and mails checks. The Director of Business Services reviews check stubs and invoices if the District Accountant has input invoices in the Accounts Payable Specialist's absence.

**Cash Receipt**

- The Administrative Assistant at each building can receipt cash, prepare deposit slips, and reconcile the deposit.
- The Community Education Director and Administrative Assistant can collect money, prepare the deposit, and can also perform the reconciliation to the deposit.

**Payroll**

- The Payroll Specialist reviews and inputs timesheets, calculates payroll, generates payroll, and also has access to change pay rates in the system. The Human Resources Coordinator reviews payroll runs.

Management is aware of this condition and will take certain steps to compensate for the lack of segregation but due to the number of staff needed to properly segregate all of the accounting duties, the cost of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. Because of this, management has determined a complete segregation of accounting duties is impractical to correct.

We recommend management, along with the School Board, remain aware of this situation, and continually monitor the accounting system including changes that occur.

## **Independent School District No. 727 Required Communication**

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2022. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Basic Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the basic financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the basic financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the basic financial statements are free of material misstatement. An audit of the basic financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the financial statements. Our responsibility with respect to the RSI, which supplements the basic audit financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Our Responsibility in Relation to *Government Auditing Standards***

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

**Independent School District No. 727  
Required Communication**

**Our Responsibility in Relation to Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)**

As communicated in our engagement letter, in accordance with the Uniform Guidance, we examined on a test basis, evidence about the District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it did not provide a legal determination on the District's compliance with those requirements.

In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

**Significant Risks Identified**

We have identified the following significant risks of material misstatement:

- Improper revenue recognition specific to property taxes and state aids. Revenue recognition is considered a fraud risk on substantially all engagements as it is generally the largest line item impacting a districts operating results.
- Misappropriation of assets and management override of controls through the journal entry process. This is considered a risk in substantially all engagements.
- If duties cannot be appropriately segregated within the accounting department, there is a risk of misappropriation of assets through electronic fund transfers.

**Qualitative Aspects of the District's Significant Accounting Practices**

*Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in the notes to the basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

**Independent School District No. 727  
Required Communication**

**Qualitative Aspects of Significant Accounting Practices (Continued)**

*Significant Accounting Estimates*

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the basic financial statements relate to:

Depreciation – The District is currently depreciating its capital assets over their estimated useful lives, as determined by management, using the straight-line method.

General Education and Special Education Aid – General Education Aid is an estimate until average daily membership (ADM) values are final. Since this is normally not done until after the reporting deadlines, this Aid is an estimate. Special Education Aid is dependent on the availability of funds and complex formulas that are finalized after reporting deadlines.

Net Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of the District for post employment benefits.

Net Pension Liability, Deferred Outflows of Resources Related to Pensions and Deferred Inflows of Resources Related to Pensions – These balances are based on an allocation by the pension plans using estimates based on contributions.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

*Financial Statement Disclosures*

Certain basic financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The basic financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements taken as a whole and each applicable opinion unit. 217

## **Independent School District No. 727 Required Communication**

### **Uncorrected and Corrected Misstatements (Continued)**

We identified the following uncorrected misstatement of the basic financial statements. Management has determined its effect is immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole and each opinion unit.

- Understatement of GASB 68 state contribution in the General Fund

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the basic financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's basic financial statements or the auditor's report. No such disagreements arose during the course of our audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating, and regulatory conditions affecting the District, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditor.

### **Other Information Included in Annual Reports**

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

We applied certain limited procedures to the RSI that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

**Independent School District No. 727**  
**Required Communication**

**Other Information Included in Annual Reports (Continued)**

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the basic financial statements.

**Independent School District No. 727  
Financial Analysis**

The following pages provide graphic representation of select data pertaining to the financial position and operations of the District for the past five years. Our analysis of each graph is presented to provide a basis for discussion of past performance and how implementing certain changes may enhance future performance. A subsequent discussion of this information should be useful for planning purposes.

Due to its complexity, it would be impossible to fully explain the funding of public education in Minnesota within this letter. The last section of this report, which contains a summary of legislative changes affecting school districts, gives an indication of how complicated the funding system is. The following section provides some state-wide funding and financial trend information.

**Average Daily Membership and Pupil Units**

The largest single funding source for Minnesota school districts is basic General Education Aid. Each year, the State Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled to aid. Pupil units are calculated by using a legislatively determined weighting system applied to ADM. Over the years, various modifications have been made to this calculation, including changes in weighting and special consideration for declining enrollment districts.

<u>Year</u>	<u>General Education Aid Formula Allowance</u>	
	<u>Amount</u>	<u>Percent Increase</u>
2013	\$ 5,224	1.0%
2014	5,302	1.5%
2015*	5,831	1.9%
2016	5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%

\* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

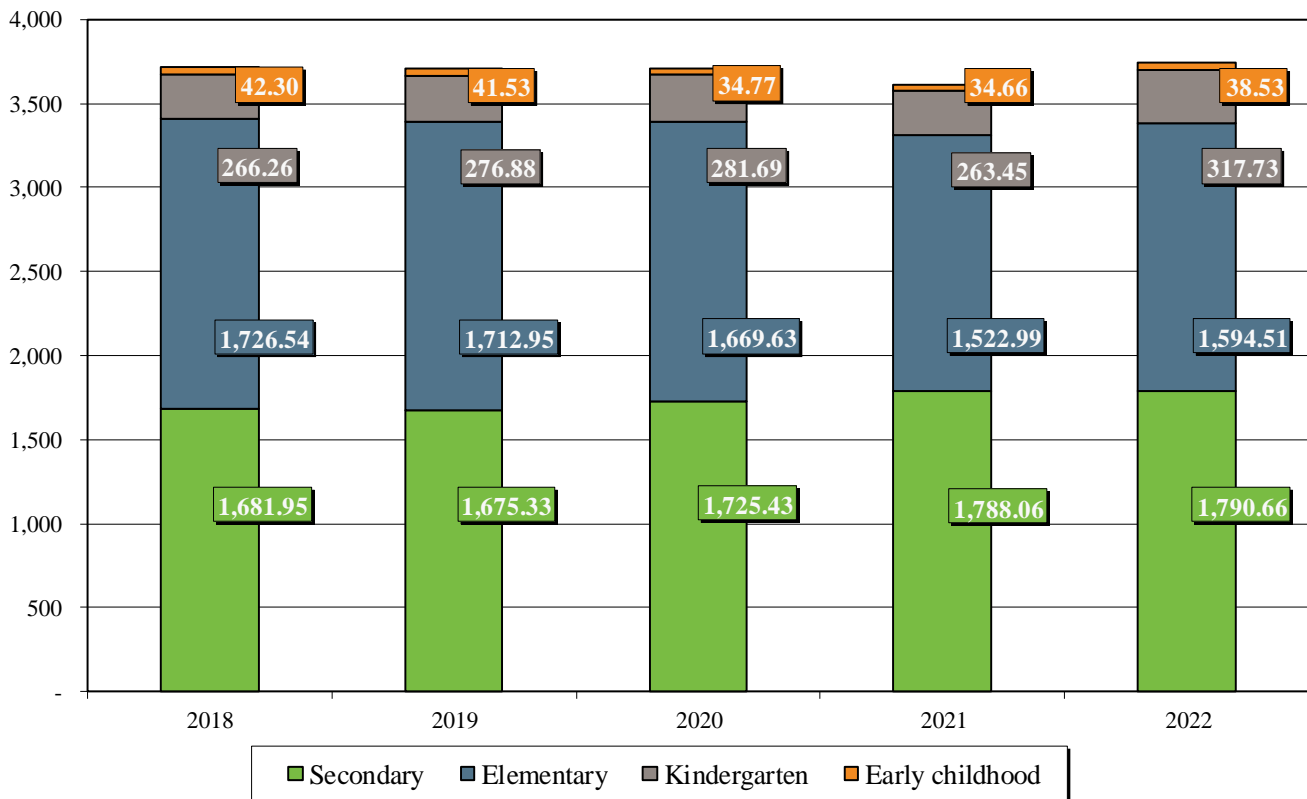
## Independent School District No. 727 Financial Analysis

### Average Daily Membership and Pupil Units (Continued)

The following table and graph summarizes resident ADM of the District for the past five years ended June 30.

ADM	2018	2019	2020	2021	2022
Early childhood	42.30	41.53	34.77	34.66	38.53
Kindergarten	266.26	276.88	281.69	263.45	317.73
Elementary	1,726.54	1,712.95	1,669.63	1,522.99	1,594.51
Secondary	1,681.95	1,675.33	1,725.43	1,788.06	1,790.66
<b>Total Resident ADM</b>	<b>3,717.05</b>	<b>3,706.69</b>	<b>3,711.52</b>	<b>3,609.16</b>	<b>3,741.43</b>

**Students (ADM)**



\* Estimate

Total resident ADM increased 3.7%, or 132.27 ADM, since 2021 and increased 0.66%, or 24.38 ADM, over the past five years.

## Independent School District No. 727 Financial Analysis

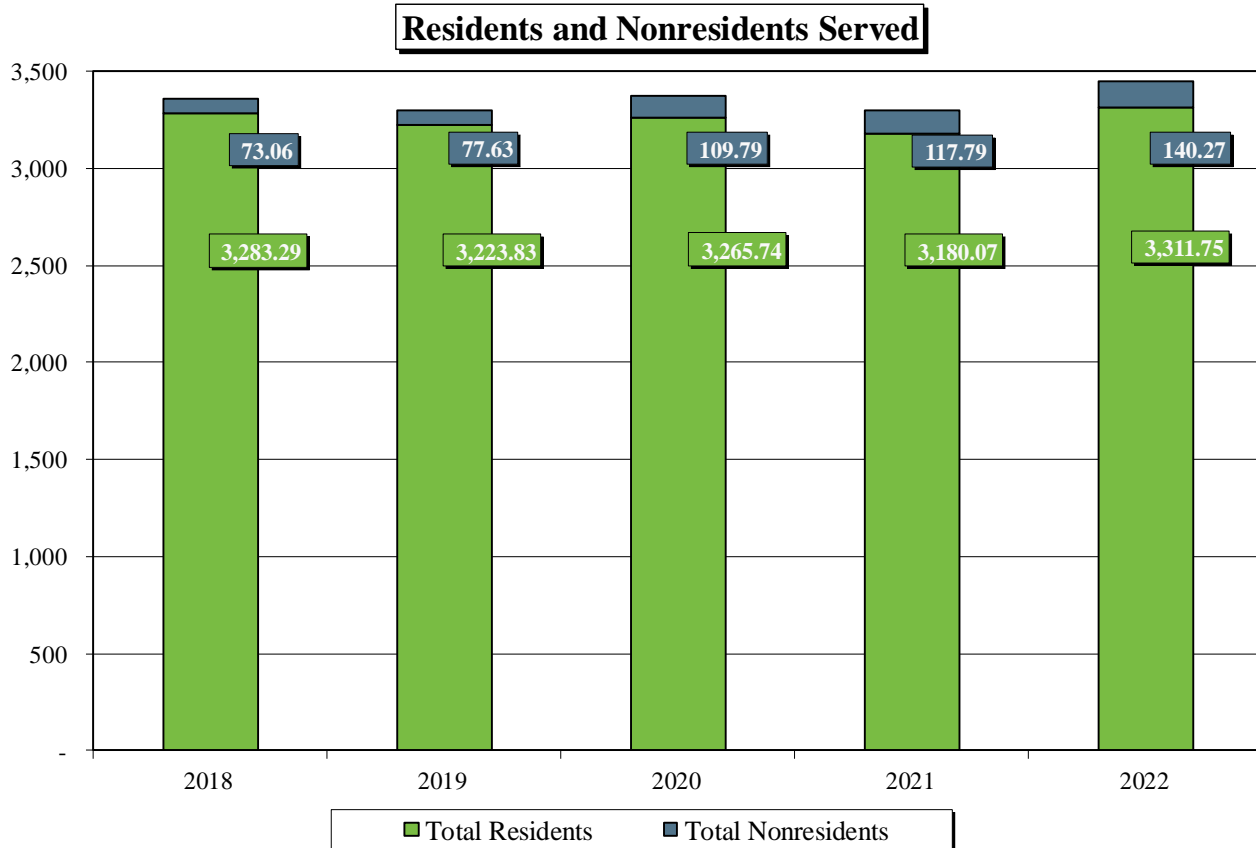
### Average Daily Membership and Pupil Units (Continued)

To calculate a majority of the District's education aids, the ADM amounts are converted into pupil units by weighting, based on the student's grade level. These weighting factors are presented in the table below.

Pupil Units Weighting						
	Kindergarten		Elementary		Elementary	
	Pre-Kindergarten	Disabled	Kindergarten	Grades 1-3	Grade 4-6	Secondary
2018-2022	1.000	1.000	1.000	1.000	1.000	1.200

The PUN served table and graph below convert the resident ADM into weighted or adjusted pupil unit data for the past five years taking into consideration the above weighting factors and open enrollment.

PUN	2018	2019	2020	2021	2022
Residents	4,053.03	4,041.77	4,056.60	3,966.75	4,099.56
Resident WADM/PUN loss	(769.74)	(817.94)	(790.86)	(786.68)	(787.81)
Nonresident WADM/PUN gain	73.06	77.63	109.79	117.79	140.27
<b>Total PUN Served</b>	<b>3,356.35</b>	<b>3,301.46</b>	<b>3,375.53</b>	<b>3,297.86</b>	<b>3,452.02</b>

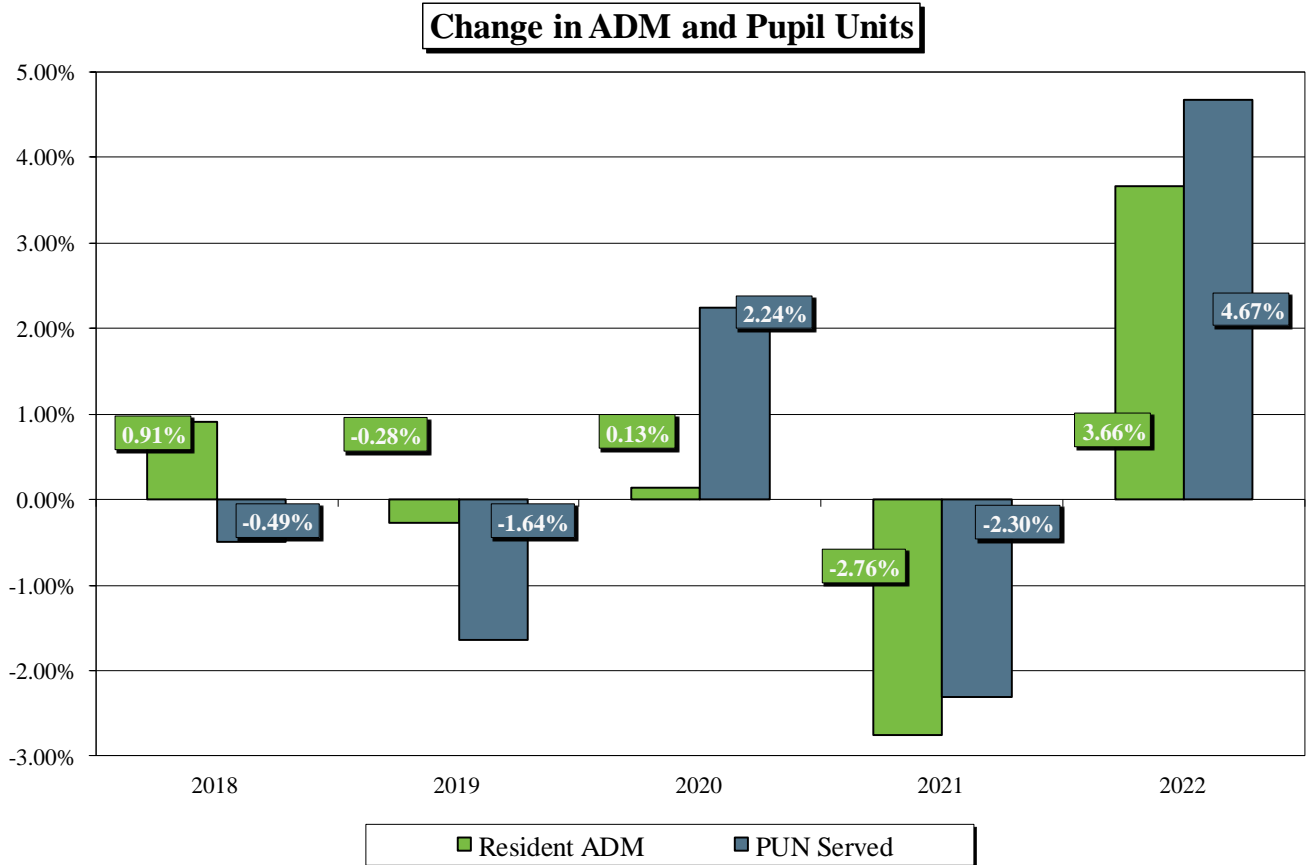


In 2022, the District's PUN increased 4.7% from 2021. The District continues to lose more resident WADM to open enrollment than it is gaining.

**Independent School District No. 727  
Financial Analysis**

**Average Daily Membership and Pupil Units (Continued)**

The following graph illustrates the percentage change from year-to-year in resident ADM and WADM served.



## Independent School District No. 727 Financial Analysis

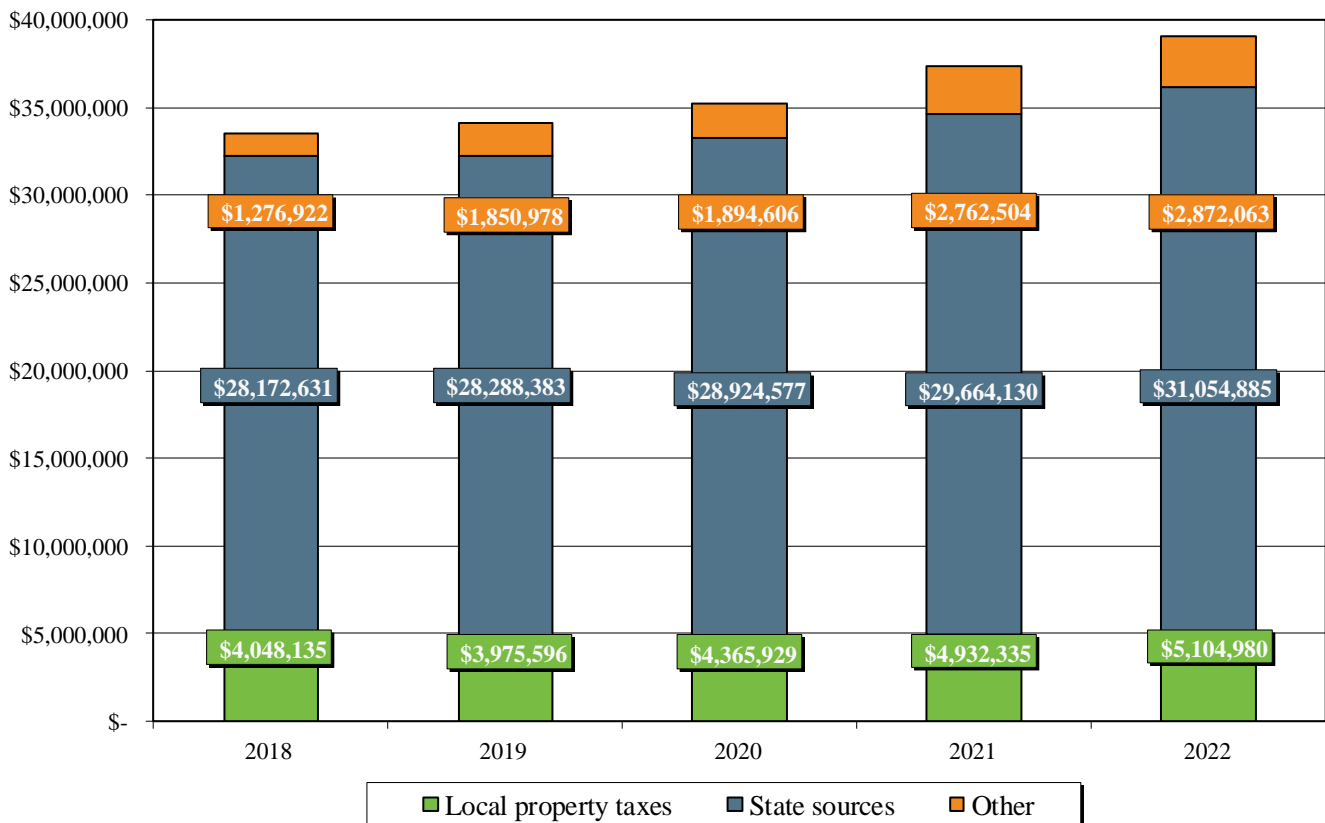
### General Fund Sources of Revenue

General Fund sources of revenue are summarized as follows for the last five years:

	2018	2019	2020	2021	2022
Local property taxes	\$ 4,048,135	\$ 3,975,596	\$ 4,365,929	\$ 4,932,335	\$ 5,104,980
State sources	28,172,631	28,288,383	28,924,577	29,664,130	31,054,885
Other	1,276,922	1,850,978	1,894,606	2,762,504	2,872,063
<b>Total</b>	<b>\$ 33,497,688</b>	<b>\$ 34,114,957</b>	<b>\$ 35,185,112</b>	<b>\$ 37,358,969</b>	<b>\$ 39,031,928</b>

Total General Fund revenues increased \$1,672,959 or 4.5%, from 2021. The largest increase was in state sources due to a combination of an increase of 2.5% in the formula allowance, an increase in pupil units and an increase in special education entitlement. Local property taxes increased due to an increase in the levy. Other revenue increased as a result of an increase in COVID federal funding.

**General Fund Sources of Revenue**



**Independent School District No. 727**  
**Financial Analysis**

**Expenditures Per Adm Served**

Expenditures per student (ADM served) are summarized in the following table:

District	2018*	2019*	2020*	2021*	2022**
General Fund	\$ 10,422	\$ 11,148	\$ 10,824	\$ 11,984	\$ 12,124
Food Service	509	503	452	425	585
Community Service	757	796	654	634	766

State-Wide Average	2018*	2019*	2020*	2021*	2022**
General Fund	\$ 12,596	\$ 13,025	\$ 13,313	\$ 14,167	N/A
Food Service	550	559	554	529	N/A
Community Service	606	638	622	571	N/A

\* Source: *School District Profiles*, state-wide averages are for all districts regardless of size

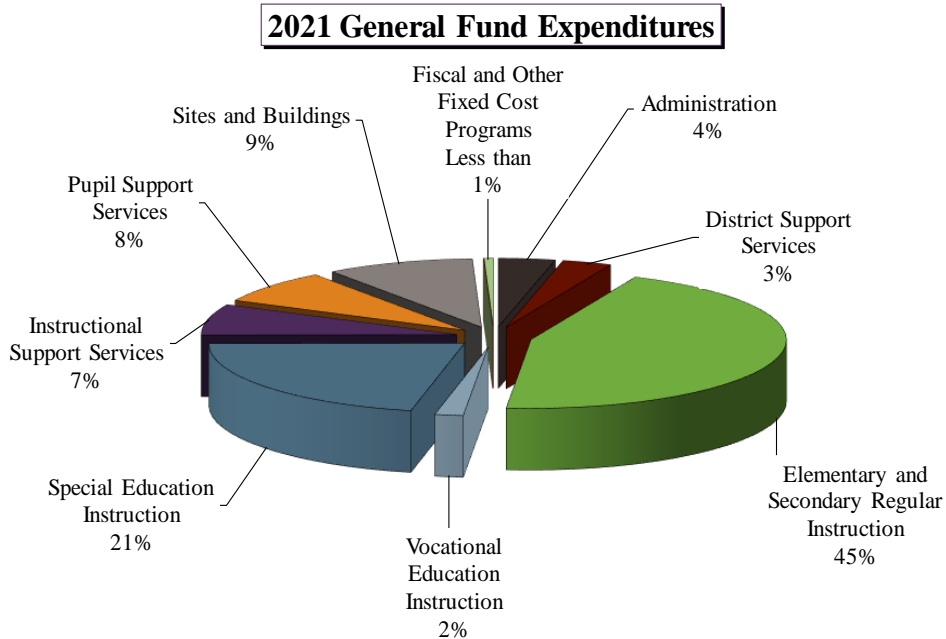
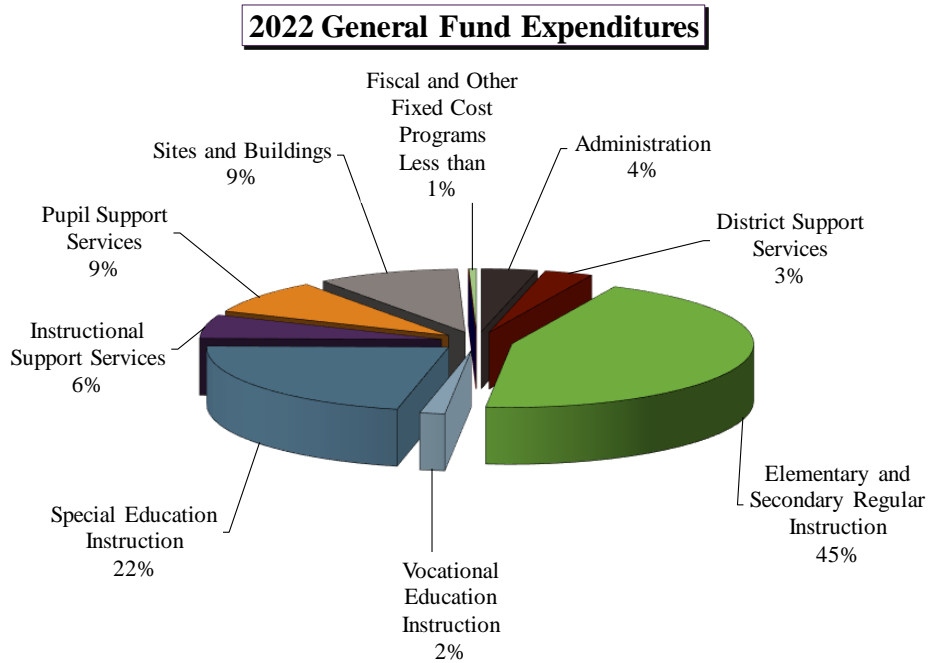
\*\* Estimate

Expenditures per ADM served increased 1.2% in the General Fund from 2021 to 2022. Total General Fund expenditures increased 6.7% from the prior year, while ADM served increased 5.5%. Food service expenditures increased 45.1% from 2021 to 2022, resulting in the increase of 37.7% in expenditures per ADM served as shown above. Community service expenditures increased 27.3% from 2021 to 2022 resulting in an increase of 20.8% in expenditures per ADM served.

## Independent School District No. 727 Financial Analysis

### General Fund Expenditures

The following graphs depict the percentage of expenditures by function in the General Fund. The allocation of expenditures between 2021 and 2022 has been consistent from one year to the next. Elementary and secondary regular instruction remained at 45% of General Fund expenditures in 2022.



The three instruction categories of regular, vocational, and special education comprised 69% of the total expenditures for 2022 and 68% of the total expenditures for 2021, respectively.

**Independent School District No. 727**  
**Financial Analysis**

**General Fund Budget and Actual**

The chart below outlines the District's final budget and actual results for the General Fund. In 2022, the District approved a budget anticipating expenditures would exceed revenues by \$2,572,781. This was modified in June of 2022, increasing revenue by \$1,993,609, decreasing expenditures by \$55,963, and anticipated a decrease in fund balance of \$418,209. In the end, revenues and other financing sources exceeded expenditures by \$543,581.

Total General Fund revenue sources ended the year with a 0.9% positive variance.

Overall, expenditures were 1.8% under budget. Instructional support services expenditures were \$253,011 under budget as a result of budgeting for technology purchases within this program and then allocating the actual expenditure to the appropriate program where the items are used.

	<b>2022</b>			Variance with Final Budget - Over (Under)
	Original Budget	Final Budget	Actual Amounts	
<b>Revenues</b>				
Local property taxes	\$ 5,026,373	\$ 5,021,961	\$ 5,104,980	\$ 83,019
State sources	29,493,892	30,844,723	31,054,885	210,162
Other	2,183,487	2,830,677	2,872,063	41,386
Total revenues	36,703,752	38,697,361	39,031,928	334,567
<b>Expenditures</b>				
Administration	1,467,888	1,439,462	1,442,896	3,434
District support services	1,338,072	1,407,375	1,249,907	(157,468)
Regular instruction	16,981,805	16,974,650	17,232,315	257,665
Vocational education instruction	684,264	671,236	642,746	(28,490)
Special education instruction	8,913,500	8,589,417	8,418,404	(171,013)
Instructional support services	2,860,097	2,518,452	2,265,441	(253,011)
Pupil support services	3,055,660	3,523,148	3,350,998	(172,150)
Sites and buildings	3,710,026	3,828,416	3,662,723	(165,693)
Fiscal and other fixed costs	207,764	210,957	193,238	(17,719)
Debt service	57,457	57,457	57,457	-
Total expenditures	39,276,533	39,220,570	38,516,125	(704,445)
Excess of revenues over (under) expenditures	(2,572,781)	(523,209)	515,803	1,039,012
<b>Other Financing Sources</b>				
Proceeds from sale of capital assets	-	-	1,022	1,022
Insurance recoveries	-	105,000	26,756	(78,244)
Total other financing sources	-	105,000	27,778	(77,222)
<b>Net change in fund balances</b>	<b>\$ (2,572,781)</b>	<b>\$ (418,209)</b>	<b>\$ 543,581</b>	<b>\$ 961,790</b>

## Independent School District No. 727 Financial Analysis

### General Fund

The following table presents five years of comparative operating results for the District's General Fund:

	2018	2019	2020	2021	2022
Revenues	\$ 33,497,688	\$ 34,114,957	\$ 35,185,112	\$ 37,358,969	\$ 39,031,928
Expenditures	32,585,535	34,054,607	33,722,729	36,102,360	38,516,125
Excess of revenues over (under) expenditures	912,153	60,350	1,462,383	1,256,609	515,803
Transfers/other financing Sources	222,520	247,007	520	3,965	27,778
Fund balance, July 1	7,217,155	8,351,828	8,659,185	10,137,738	11,398,312
Change in accounting principle	-	-	15,650	-	-
<b>Fund Balance, June 30</b>	<b>\$ 8,351,828</b>	<b>\$ 8,659,185</b>	<b>\$ 10,137,738</b>	<b>\$ 11,398,312</b>	<b>\$ 11,941,893</b>
Components	2018	2019	2020	2021	2022
Unassigned	\$ 6,122,852	\$ 6,748,712	\$ 7,548,558	\$ 7,833,335	\$ 7,883,262
Assigned for					
Athletics and activities	128,558	104,071	179,525	219,067	246,912
Student activities	107,940	118,135	-	-	-
Building level activities	-	-	122,937	126,474	143,735
Q Comp	230,761	129,791	138,190	124,927	92,169
STEM program	-	27,500	6,588	3,280	5,116
Copier replacement	-	35,000	30,000	65,721	65,721
Curriculum materials	-	50,000	79,806	81,888	68,357
Technology repairs and replacement	-	-	-	42,467	57,328
Middle school sound system	-	-	-	308,786	172,835
DAPE Equipment	-	-	-	-	30,000
Gymnastics floor replacement	-	-	28,500	-	-
Special education vehicles	-	-	11,454	22,907	34,361
Facilities Equipment Replacement	-	-	-	-	206,399
Committed for					
Separation/retirement	573,511	596,778	620,191	895,674	937,026
Liberty shelter	-	6,702	29,120	29,120	29,120
TIES withdrawal fee	136,400	-	-	-	-
Ball field lights at four-plex	6,664	-	-	-	-
Restricted for					
Student activities	-	-	10,386	16,002	22,993
Scholarships	-	-	16,650	15,150	24,750
Basic skills	80,381	112,332	76,094	-	30,157
Long-term facilities maintenance	21,180	44,809	81,783	118,029	133,946
Capital projects levy	77,153	108,221	226,670	369,164	521,817
Medical assistance	118,218	92,243	230,996	262,782	260,211
Staff development	101,957	98,744	92,814	115,432	125,534
ALC	9,521	7,837	33,648	19,077	30,462
Operating capital	285,573	221,461	455,306	570,269	758,930
Safe schools - crime levy	-	-	-	2,165	-
Nonspendable for					
Prepaid items	351,159	156,849	118,522	156,596	60,752
<b>Total</b>	<b>\$ 8,351,828</b>	<b>\$ 8,659,185</b>	<b>\$ 10,137,738</b>	<b>\$ 11,398,312</b>	<b>\$ 11,941,893</b>

Total revenues for the General Fund increased \$1,672,959 from 2021 as previously discussed. Total expenditures increased \$2,413,765 from 2021. The largest variance was in elementary and secondary regular instruction, which increased \$1,044,366 due to contract settlements and hiring additional staff funded by federal grants. Special education instruction increased due to hiring additional staff based on needs of students.

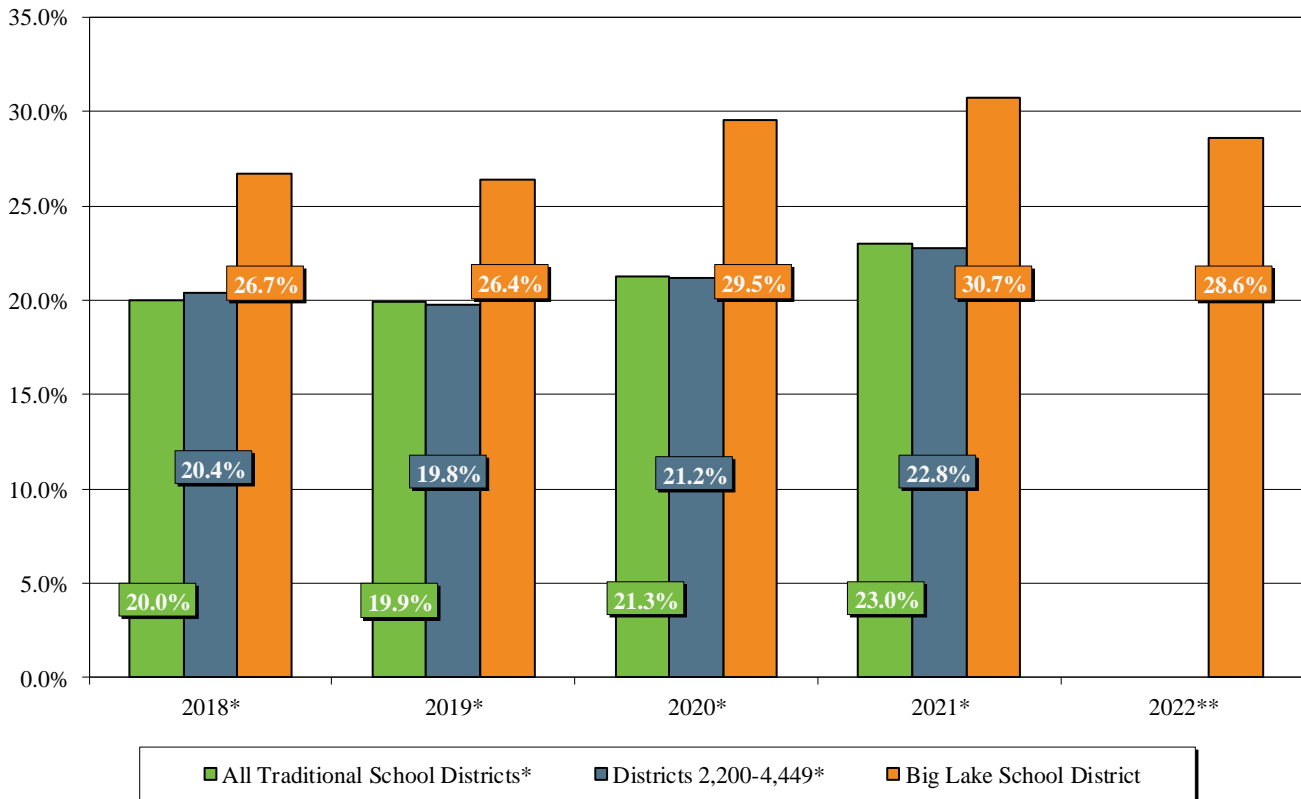
Overall, fund balance increased by \$543,581 from 2021, including an increase of \$49,927 in the unassigned fund balance.

## Independent School District No. 727 Financial Analysis

### General Fund Financial Health

One of the most common comparable statistics used to evaluate school district financial health is the operating fund balance as a percentage of operating expenditures.

**General Fund Balance Percentage of Expenditures**



\* Information was obtained from the Minnesota Department of Education (MDE) web site report *Fiscal Year 2018-2021 General Fund Unreserved Balance*. Fiscal year 2022 information is not available.

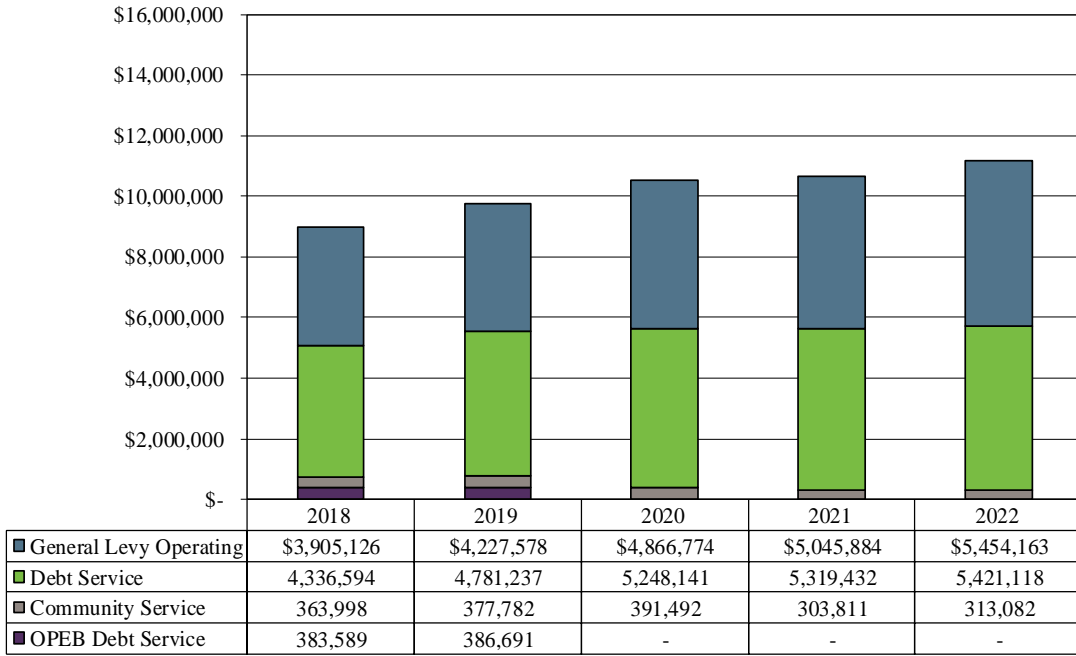
\*\* Obtained from MDE Uniform Financial Accounting and Reporting Standards (UFARS) Compliance Report

The calculations above reflect only the unrestricted fund balance of the General Fund and the corresponding expenditures, which is the same method which the state uses for the statutory operating debt (SOD) calculation. SOD is when a district's unrestricted fund balance ends the year below (2.5%). The District's unrestricted fund balance in comparison to its expenditures for 2018 and beyond exceeded the state-wide average.

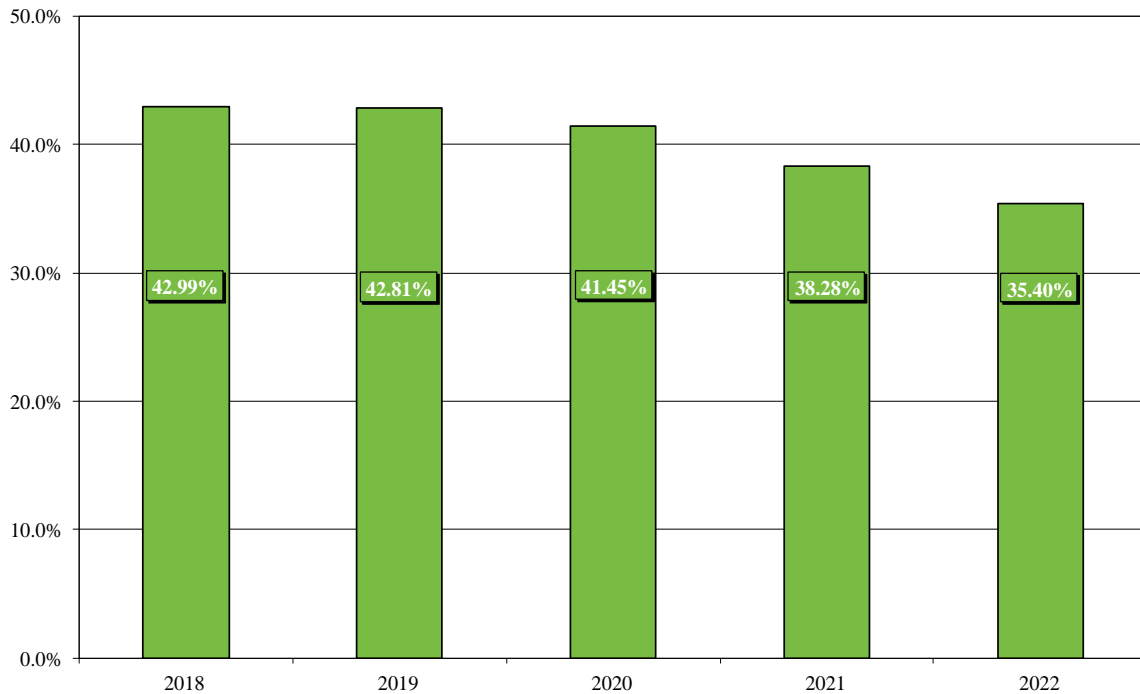
## Independent School District No. 727 Financial Analysis

### General Fund Operations

**Computed Tax Levy**



**Tax Capacity Rates**



**Independent School District No. 727**  
**Financial Analysis**

**Food Service Fund**

The following table presents five years of comparative operating results for the District's Food Service Fund:

<b>For the Year Ended June 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Revenues	\$ 1,563,782	\$ 1,559,039	\$ 1,463,232	\$ 1,216,240	\$ 2,363,099
Expenditures	1,580,541	1,536,519	1,407,244	1,281,051	1,858,999
Excess of revenues over (under) expenditures	(16,759)	22,520	55,988	(64,811)	504,100
Fund balance, July 1	204,696	187,937	210,457	266,445	201,634
<b>Fund Balance, June 30</b>	<b>\$ 187,937</b>	<b>\$ 210,457</b>	<b>\$ 266,445</b>	<b>\$ 201,634</b>	<b>\$ 705,734</b>

In 2022, the Food Service Fund's revenues exceeded expenditures, resulting in an increase in fund balance of \$504,100. Food service revenues increased \$1,146,859 from 2021, while expenditures increased \$577,948. The increase in activity is due to higher meal counts, increased reimbursement rates and increased food costs.

**Independent School District No. 727**  
**Financial Analysis**

**Community Service Fund**

The following table presents five years of comparative operating results for the District's Community Service Fund:

For the Year Ended June 30,	2018	2019	2020	2021	2022
Revenues	\$ 2,243,337	\$ 2,374,813	\$ 2,024,723	\$ 2,150,604	\$ 2,709,081
Expenditures	2,351,505	2,431,749	2,036,977	1,910,575	2,432,352
Excess of revenues over (under) expenditures	(108,168)	(56,936)	(12,254)	240,029	276,729
Fund balance, July 1	573,205	465,037	408,101	395,847	635,876
<b>Fund Balance, June 30</b>	<b>\$ 465,037</b>	<b>\$ 408,101</b>	<b>\$ 395,847</b>	<b>\$ 635,876</b>	<b>\$ 912,605</b>

Components	2018	2019	2020	2021	2022
Restricted/reserved for					
Community Education	\$ 312,718	\$ 345,321	\$ 359,366	\$ 575,841	\$ 814,484
ECFE	101,217	59,867	52,390	82,302	125,032
School Readiness	50,080	1,489	(23,826)	(29,881)	(31,078)
Fund purpose	1,022	1,424	7,917	7,614	4,167
<b>Total</b>	<b>\$ 465,037</b>	<b>\$ 408,101</b>	<b>\$ 395,847</b>	<b>\$ 635,876</b>	<b>\$ 912,605</b>

In 2022, revenues exceeded expenditures by \$276,729, resulting in an increase in fund balance. Revenues increased \$558,477 or 26.0%, from the prior year, while expenditures increased \$521,777 or 27.3%. The increase in revenues was due to an increase in Kid's Club participation and expanded youth programming. The increase in expenditures was due an increase in staffing costs as a result of increased participation in Kid's Club and youth programming.

## **Independent School District No. 727 Legislative Summary**

The following is a brief summary of current legislative changes and issues affecting the funding of Minnesota school districts. More detailed and extensive summaries are available from the Minnesota Department of Education (MDE).

### **State Aid Appropriations**

The formula allowance for 2022 is set at \$6,728 and for 2023, the formula allowance is set at \$6,863.

### **Special Education**

The special education hold harmless guarantee was limited to the sum of 80% in 2022 and 75% in 2023 and later, of current year special education program costs plus 100% of special transportation costs plus the tuition adjustment. The annual inflation adjustment used in the calculation of the hold harmless will be reduced by 0.2% per year from 4.4% in 2021 until the inflation adjustment reaches 2.0%.

### **Coronavirus Aid, Relief, and Economic Security (CARES) Act**

Funding provided includes Governor's Emergency Education Relief (GEER) funding totaling \$38.1 million to MDE to be used for technology and summer school programming. Elementary and Secondary School Emergency Relief (ESSER) funding totaling \$140.1 million is 90% allocated based on 2020 Title I, part A allocations and 9.5% is allocated as grants, with the remaining 0.5% available for administration. Child Nutrition Grants to States funding totaled \$160.3 million. ESSER and GEER funds are eligible for spending through September 30, 2022.

### **Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act**

The CRRSA Act was signed into law on December 27, 2020, and provided an additional \$2.75 billion for the Emergency Assistance for Nonpublic School Fund (EANS Fund) of which \$41,697,717 was awarded to Minnesota. Funds are eligible for spending through September 30, 2023.

### **American Rescue Plan (ARP) Act**

The ARP Act was signed into law on March 11, 2021, and focuses on returning to, and maintaining, safe in-person learning for all students.

The ARP includes \$1.3 billion for E-12 education in ESSER funds for Minnesota to help schools returning to, and maintaining, safe in-person learning for all students. Per the federal law, 90% of these funds have been allocated to eligible districts and charter schools. 9.5% of these funds are for flexible use by each state education agency to create a plan to meet the needs of students. Funds are eligible for spending through September 30, 2024.

### **Property Tax Bill**

Effective for taxes payable in 2018, there will be a property tax credit on all property classified as agricultural. The credit will be equal to 40% of the tax on the property attributable to school district bonded debt levies. The credit is increased to 50% for taxes payable in 2020, 55% for taxes payable in 2021, 60% for taxes payable in 2022, and 70% for taxes payable in 2023 and thereafter. Estimated property tax relief totals \$10.9 million for pay 2020, \$18.2 million for pay 2021, and \$27.2 million for pay 2022.

**Independent School District No. 727**  
**Legislative Summary**

**Voluntary Prekindergarten (VPK)/School Readiness Plus**

For 2022 and 2023 only, the 4,000 seats currently expiring after 2021 will continue to be funded.

**Pension Bill**

Augmentation has been eliminated for TRA members after December 31, 2017, and early retirement subsidies have been phased out.

Post-retirement cost of living adjustments (COLAs) have been reduced –

- 1) TRA – lowers the COLA from 2% to 1% for five years; then the rate will increase by 0.1% each year until it reaches 1.5%
- 2) PERA – the increase will be 50% of the increase for Social Security announced January 1, but not less than 0.5% or more than 1.5%
- 3) Defers commencement of COLA for early retirees

The rate of interest paid on refunds of employee contributions to former employees has been reduced from 4% to 3%. TRA required contributions have increased to 7.75% for employees effective for fiscal year 2024. Required employer contributions will increase 0.21% for fiscal year 2019 to fiscal year 2023 and 0.2% in fiscal year 2024 until a required contribution rate of 8.75% is reached. Pension adjustment revenue will increase to match the required contribution increases.

## **Independent School District No. 727 Emerging Issues**

### **Executive Summary**

The following is an executive summary of financial and business related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant updates include:

- **Accounting Standard Update – GASB Statement No. 96 – Subscription-Based Information Technology Arrangements**  
GASB has issued GASB Statement No. 96 relating to accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement will improve financial reporting by establishing a definition for subscription-based information technology arrangements and providing uniform guidance for accounting and financial reporting for transactions that meet that definition.
- **Accounting Standard Update – GASB Statement No. 100 – Accounting Changes and Error Corrections**  
GASB has issued GASB Statement No. 100 relating to accounting and financial reporting for accounting changes and error corrections. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability.
- **Accounting Standard Update – GASB Statement No. 101 – Compensated Absences**  
GASB has issued GASB Statement No. 101 relating to accounting and financial reporting for compensated absences. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The following are extensive summaries of the current updates. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your District.

### **Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements***

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

**Independent School District No. 727**  
**Emerging Issues**

**Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements (Continued)***

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, - which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

**Independent School District No. 727**  
**Emerging Issues**

**Accounting Standard Update – GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements (Continued)***

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

GASB Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**Accounting Standard Update – GASB Statement No. 100 – *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62***

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.

**Independent School District No. 727**  
**Emerging Issues**

**Accounting Standard Update – GASB Statement No. 100 – *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62 (Continued)***

This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 100 is effective for reporting periods beginning after June 15, 2023. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**Accounting Standard Update – GASB Statement No. 101 – *Compensated Absences***

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

**Independent School District No. 727**  
**Emerging Issues**

**Accounting Standard Update – GASB Statement No. 101 – *Compensated Absences* (Continued)**

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).



**DO  
MORE.**

**Independent School District No.  
727**

**Big Lake, Minnesota**

**Audited Financial Statements**

**November 17, 2022**

# Independent Auditor's Reports

- Unmodified opinion on financial statements
  - Best opinion an auditor can issue
- Financial statements present fairly in all material respects the financial position and change in financial position of the governmental activities, each major fund and the aggregate remaining funds.
- Report in Accordance with *Government Auditing Standards*
  - Internal Control Finding – Lack of Segregation of Accounting Duties
- Unmodified Opinion on Single Audit – Education Stabilization Funds
- Unmodified Opinion on Minnesota Legal Compliance

# General Education Aid Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2013	\$ 5,224	1.0%
2014	5,302	1.5%
2015*	5,831	1.9%
2016	5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%

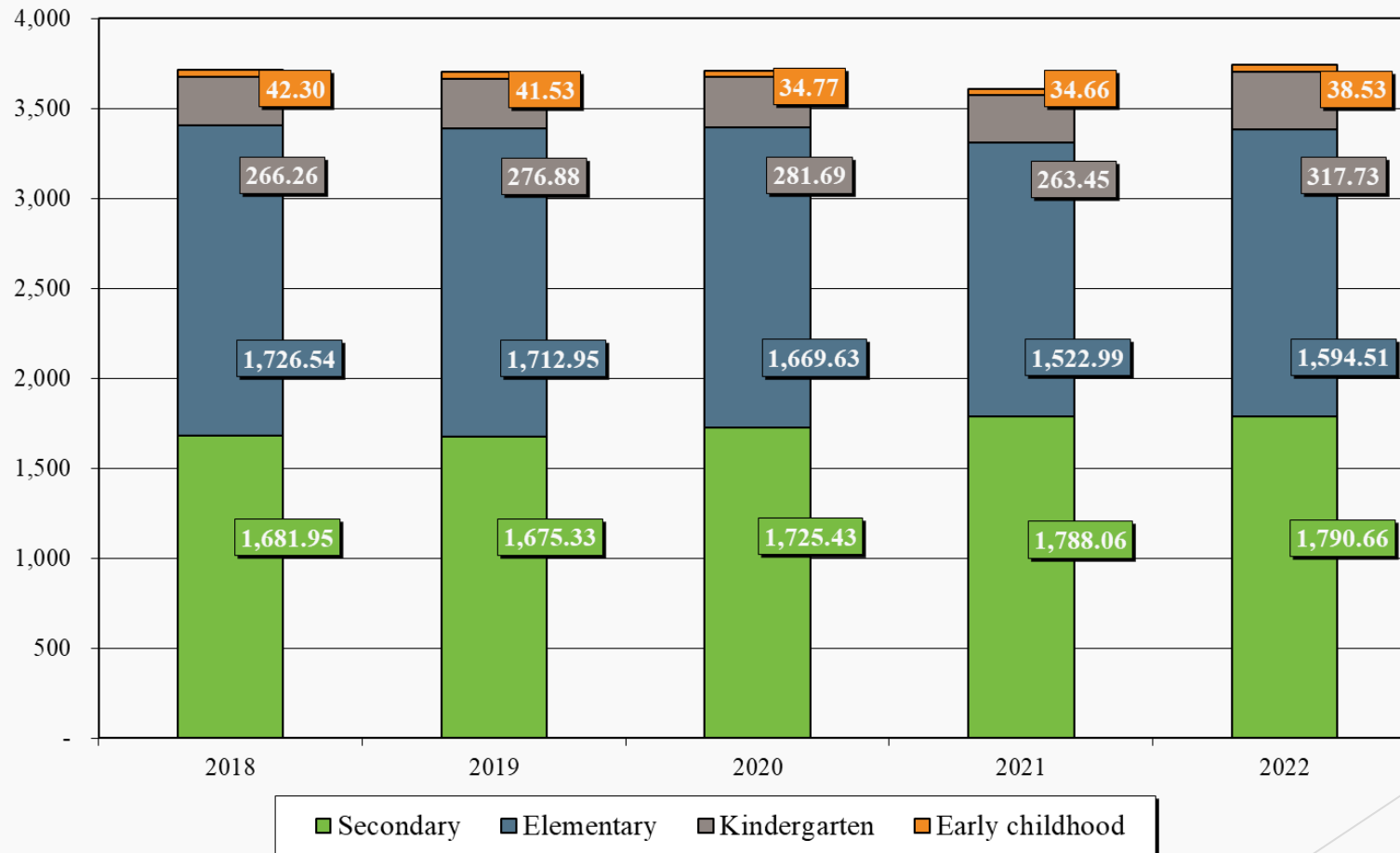
\* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

# Average Daily Membership and Pupil Units – Resident ADM

<b>ADM</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Early childhood	42.30	41.53	34.77	34.66	38.53
Kindergarten	266.26	276.88	281.69	263.45	317.73
Elementary	1,726.54	1,712.95	1,669.63	1,522.99	1,594.51
Secondary	1,681.95	1,675.33	1,725.43	1,788.06	1,790.66
<b>Total Resident ADM</b>	<b>3,717.05</b>	<b>3,706.69</b>	<b>3,711.52</b>	<b>3,609.16</b>	<b>3,741.43</b>

243

# Average Daily Membership and Pupil Units – Students (ADM)



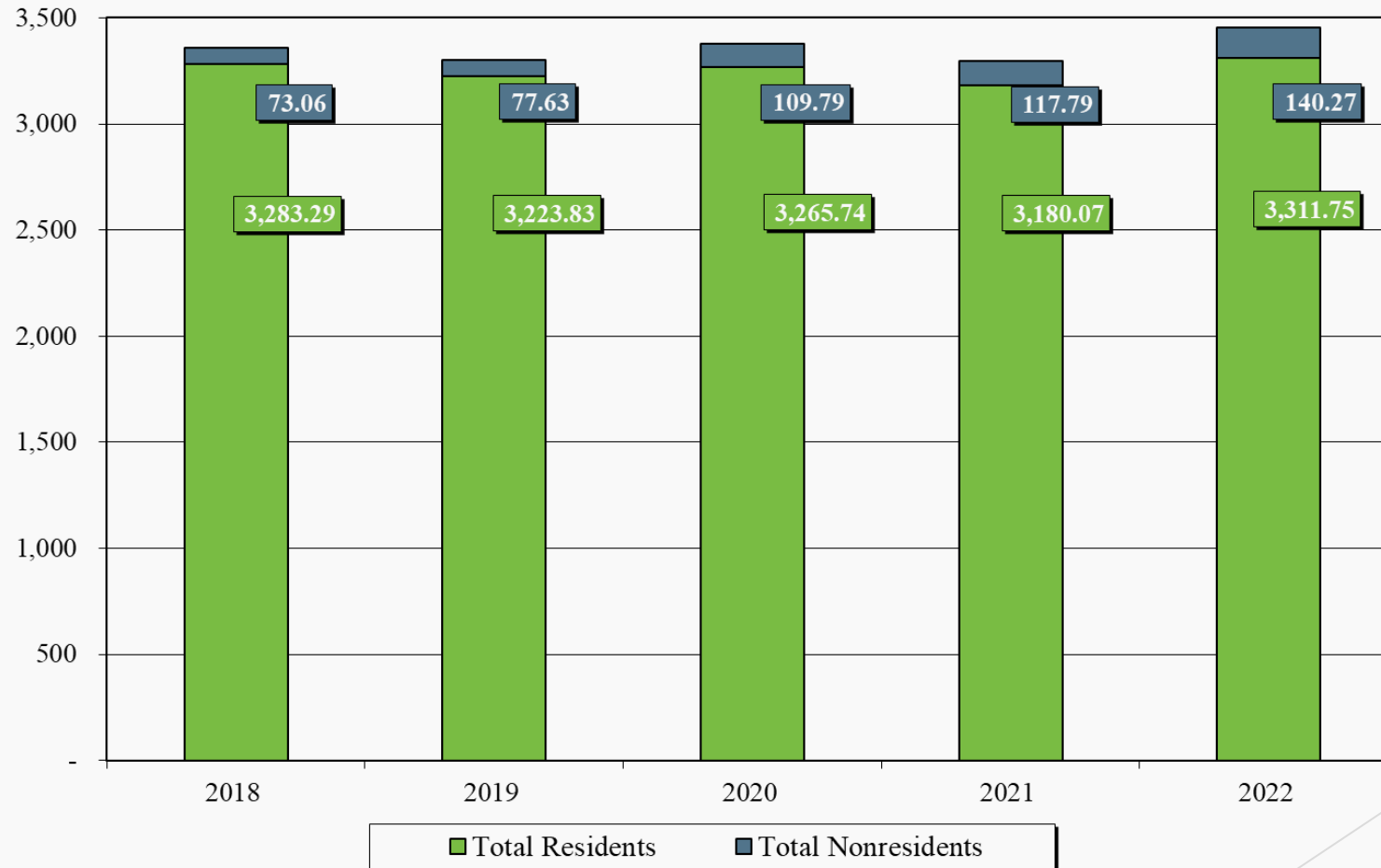
244

# Average Daily Membership and Pupil Units – Weighting and WADM/PUN Served

Pupil Units Weighting						
	Kindergarten			Elementary	Elementary	Secondary
	Pre-Kindergarten	Disabled	Kindergarten	Grades 1-3	Grade 4-6	
2018-2022	1.000	1.000	1.000	1.000	1.000	1.200
PUN	2018	2019	2020	2021	2022	
Residents	4,053.03	4,041.77	4,056.60	3,966.75	4,099.56	
Resident WADM/PUN loss	(769.74)	(817.94)	(790.86)	(786.68)	(787.81)	
Nonresident WADM/PUN gain	73.06	77.63	109.79	117.79	140.27	
<b>Total PUN Served</b>	<b>3,356.35</b>	<b>3,301.46</b>	<b>3,375.53</b>	<b>3,297.86</b>	<b>3,452.02</b>	

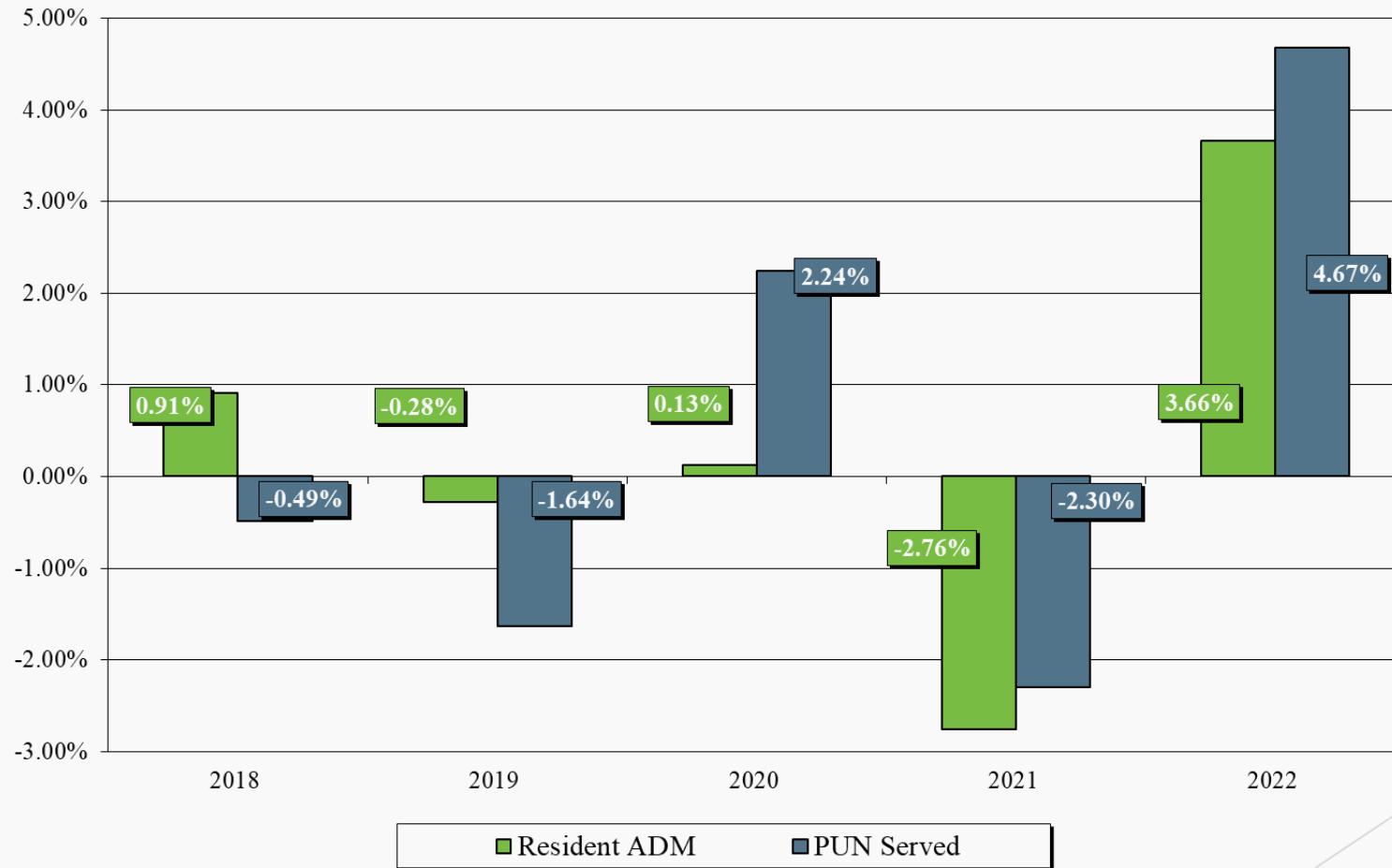
245

# Average Daily Membership and Pupil Units – Residents and Nonresidents Served



246

# Average Daily Membership Change in ADM and Pupil Units



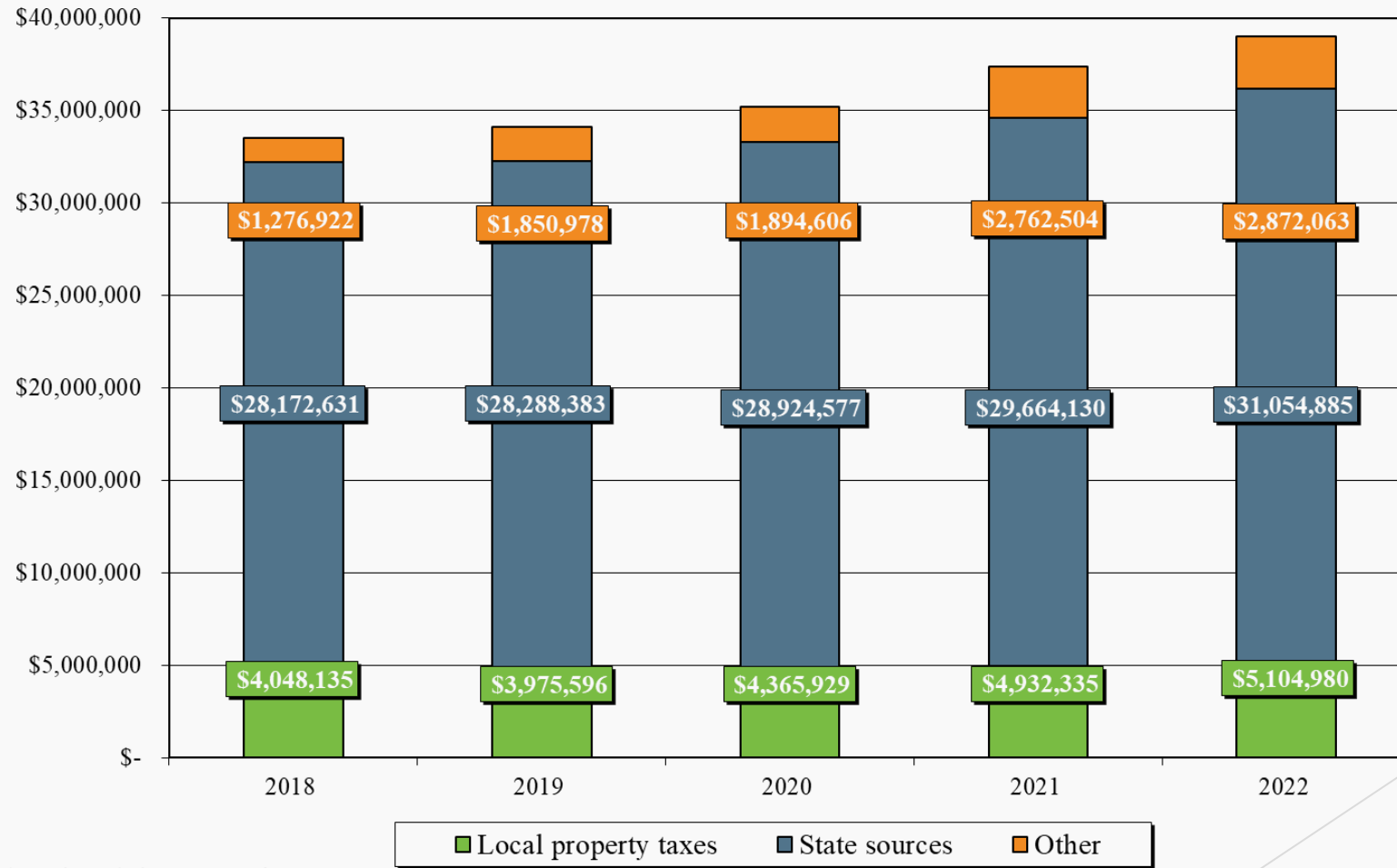
247

# General Fund

## Sources of Revenue

	2018	2019	2020	2021	2022
Local property taxes	\$ 4,048,135	\$ 3,975,596	\$ 4,365,929	\$ 4,932,335	\$ 5,104,980
State sources	28,172,631	28,288,383	28,924,577	29,664,130	31,054,885
Other	1,276,922	1,850,978	1,894,606	2,762,504	2,872,063
<b>Total</b>	<b>\$ 33,497,688</b>	<b>\$ 34,114,957</b>	<b>\$ 35,185,112</b>	<b>\$ 37,358,969</b>	<b>\$ 39,031,928</b>

# General Fund Sources of Revenue



# General Fund

## Expenditures Per ADM Served

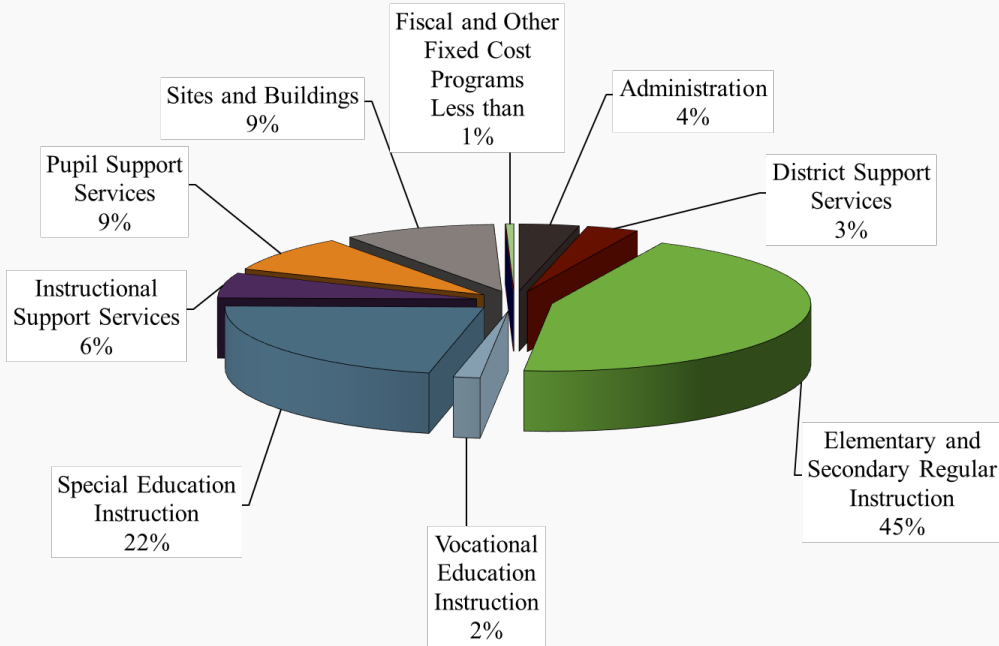
District	2018*	2019*	2020*	2021*	2022**
General Fund	\$ 10,422	\$ 11,148	\$ 10,824	\$ 11,984	\$ 12,124
Food Service	509	503	452	425	585
Community Service	757	796	654	634	766

State-Wide Average	2018*	2019*	2020*	2021*	2022**
General Fund	\$ 12,596	\$ 13,025	\$ 13,313	\$ 14,167	N/A
Food Service	550	559	554	529	N/A
Community Service	606	638	622	571	N/A

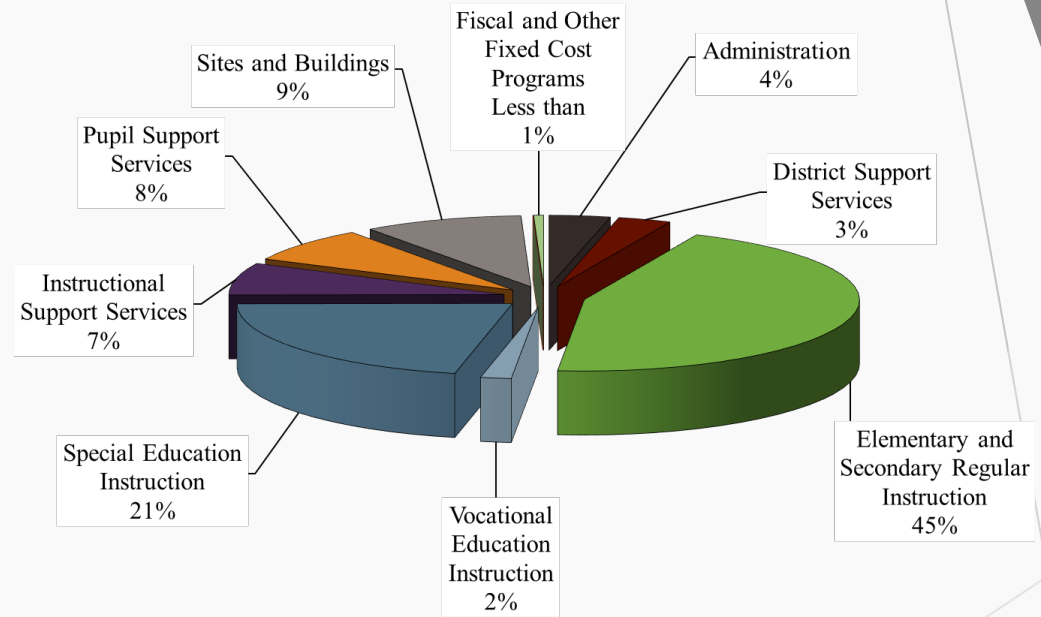
250

# General Fund Expenditures

**2022 General Fund Expenditures**



**2021 General Fund Expenditures**



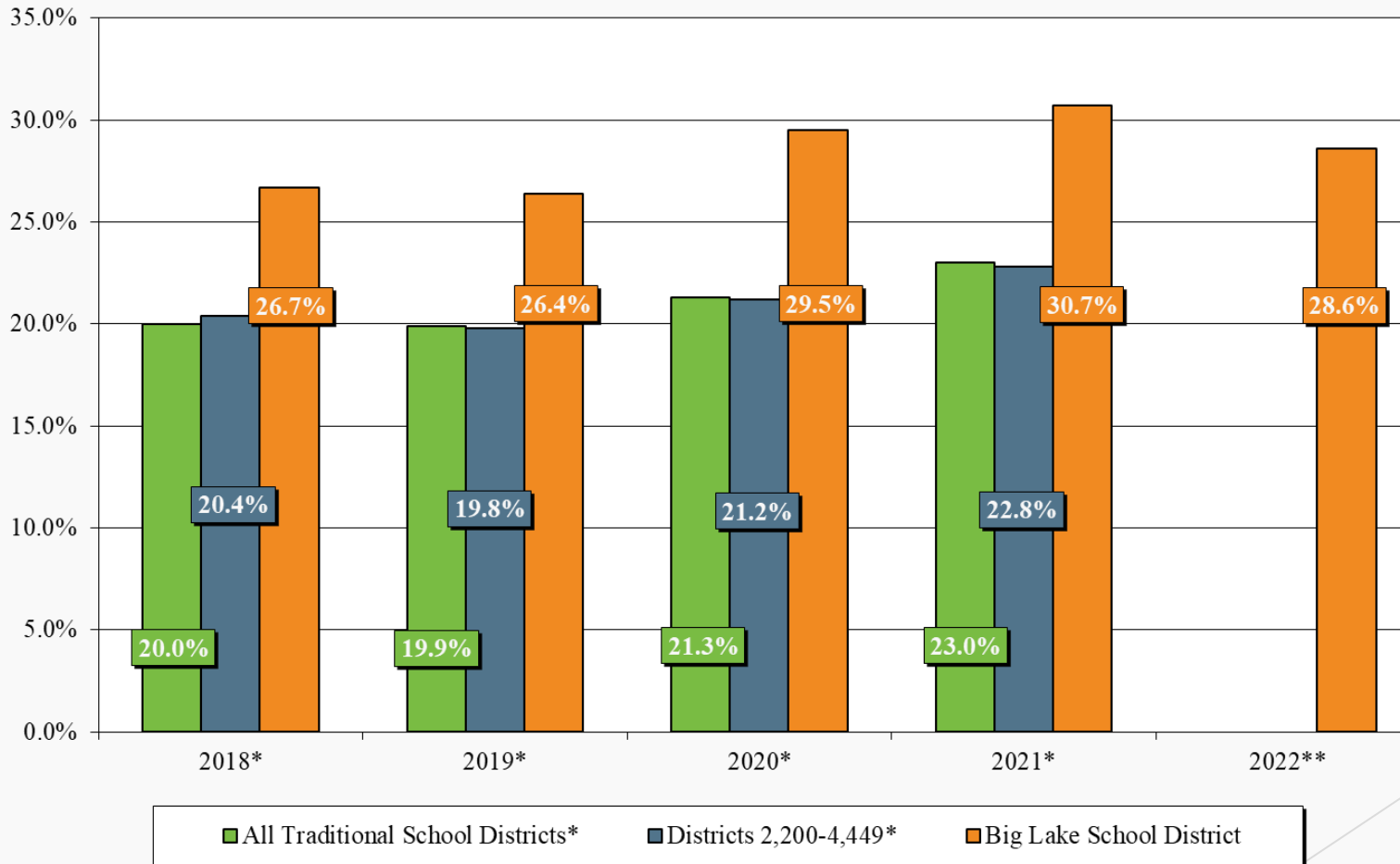
# General Fund Budget and

	2022			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>Revenues</b>				
Local property taxes	\$ 5,026,373	\$ 5,021,961	\$ 5,104,980	\$ 83,019
State sources	29,493,892	30,844,723	31,054,885	210,162
Other	2,183,487	2,830,677	2,872,063	41,386
Total revenues	<u>36,703,752</u>	<u>38,697,361</u>	<u>39,031,928</u>	<u>334,567</u>
<b>Expenditures</b>				
Administration	1,467,888	1,439,462	1,442,896	3,434
District support services	1,338,072	1,407,375	1,249,907	(157,468)
Regular instruction	16,981,805	16,974,650	17,232,315	257,665
Vocational education instruction	684,264	671,236	642,746	(28,490)
Special education instruction	8,913,500	8,589,417	8,418,404	(171,013)
Instructional support services	2,860,097	2,518,452	2,265,441	(253,011)
Pupil support services	3,055,660	3,523,148	3,350,998	(172,150)
Sites and buildings	3,710,026	3,828,416	3,662,723	(165,693)
Fiscal and other fixed costs	207,764	210,957	193,238	(17,719)
Debt service	57,457	57,457	57,457	-
Total expenditures	<u>39,276,533</u>	<u>39,220,570</u>	<u>38,516,125</u>	<u>(704,445)</u>
Excess of revenues over (under) expenditures	(2,572,781)	(523,209)	515,803	1,039,012
<b>Other Financing Sources</b>				
Proceeds from sale of capital assets	-	-	1,022	1,022
Insurance recoveries	-	105,000	26,756	(78,244)
Total other financing sources	-	105,000	27,778	(77,222)
<b>Net change in fund balances</b>	<b>\$ (2,572,781)</b>	<b>\$ (418,209)</b>	<b>\$ 543,581</b>	<b>\$ 961,790</b>

# General Fund Operating Results

	2018	2019	2020	2021	2022
Revenues	\$ 33,497,688	\$ 34,114,957	\$ 35,185,112	\$ 37,358,969	\$ 39,031,928
Expenditures	32,585,535	34,054,607	33,722,729	36,102,360	38,516,125
Excess of revenues over (under) expenditures	912,153	60,350	1,462,383	1,256,609	515,803
Transfers/other financing					
Sources	222,520	247,007	520	3,965	27,778
Fund balance, July 1	7,217,155	8,351,828	8,659,185	10,137,738	11,398,312
Change in accounting principle	-	-	15,650	-	-
<b>Fund Balance, June 30</b>	<b>\$ 8,351,828</b>	<b>\$ 8,659,185</b>	<b>\$ 10,137,738</b>	<b>\$ 11,398,312</b>	<b>\$ 11,941,893</b>
<b>Components</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Unassigned	\$ 6,122,852	\$ 6,748,712	\$ 7,548,558	\$ 7,833,335	\$ 7,883,262
Assigned for					
Athletics and activities	128,558	104,071	179,525	219,067	246,912
Student activities	107,940	118,135	-	-	-
Building level activities	-	-	122,937	126,474	143,735
Q Comp	230,761	129,791	138,190	124,927	92,169
STEM program	-	27,500	6,588	3,280	5,116
Copier replacement	-	35,000	30,000	65,721	65,721
Curriculum materials	-	50,000	79,806	81,888	68,357
Technology repairs and replacement	-	-	-	42,467	57,328
Middle school sound system	-	-	-	308,786	172,835
DAPE Equipment	-	-	-	-	30,000
Gymnastics floor replacement	-	-	28,500	-	-
Special education vehicles	-	-	11,454	22,907	253 34,361
Facilities Equipment Replacement	-	-	-	-	206,399
Committed for					
Separation/retirement	573,511	596,778	620,191	895,674	937,026
Liberty shelter	-	6,702	29,120	29,120	29,120
TIES withdrawal fee	136,400	-	-	-	-
Ball field lights at four-plex	6,664	-	-	-	-
Restricted for					
Student activities	-	-	10,386	16,002	22,993
Scholarships	-	-	16,650	15,150	24,750
Basic skills	80,381	112,332	76,094	-	30,157
Long-term facilities maintenance	21,180	44,809	81,783	118,029	133,946
Capital projects levy	77,153	108,221	226,670	369,164	521,817
Medical assistance	118,218	92,243	230,996	262,782	260,211
Staff development	101,957	98,744	92,814	115,432	125,534
ALC	9,521	7,837	33,648	19,077	30,462
Operating capital	285,573	221,461	455,306	570,269	758,930
Safe schools - crime levy	-	-	-	2,165	-
Nonspendable for					
Prepaid items	351,159	156,849	118,522	156,596	14 60,752
<b>Total</b>	<b>\$ 8,351,828</b>	<b>\$ 8,659,185</b>	<b>\$ 10,137,738</b>	<b>\$ 11,398,312</b>	<b>\$ 11,941,893</b>

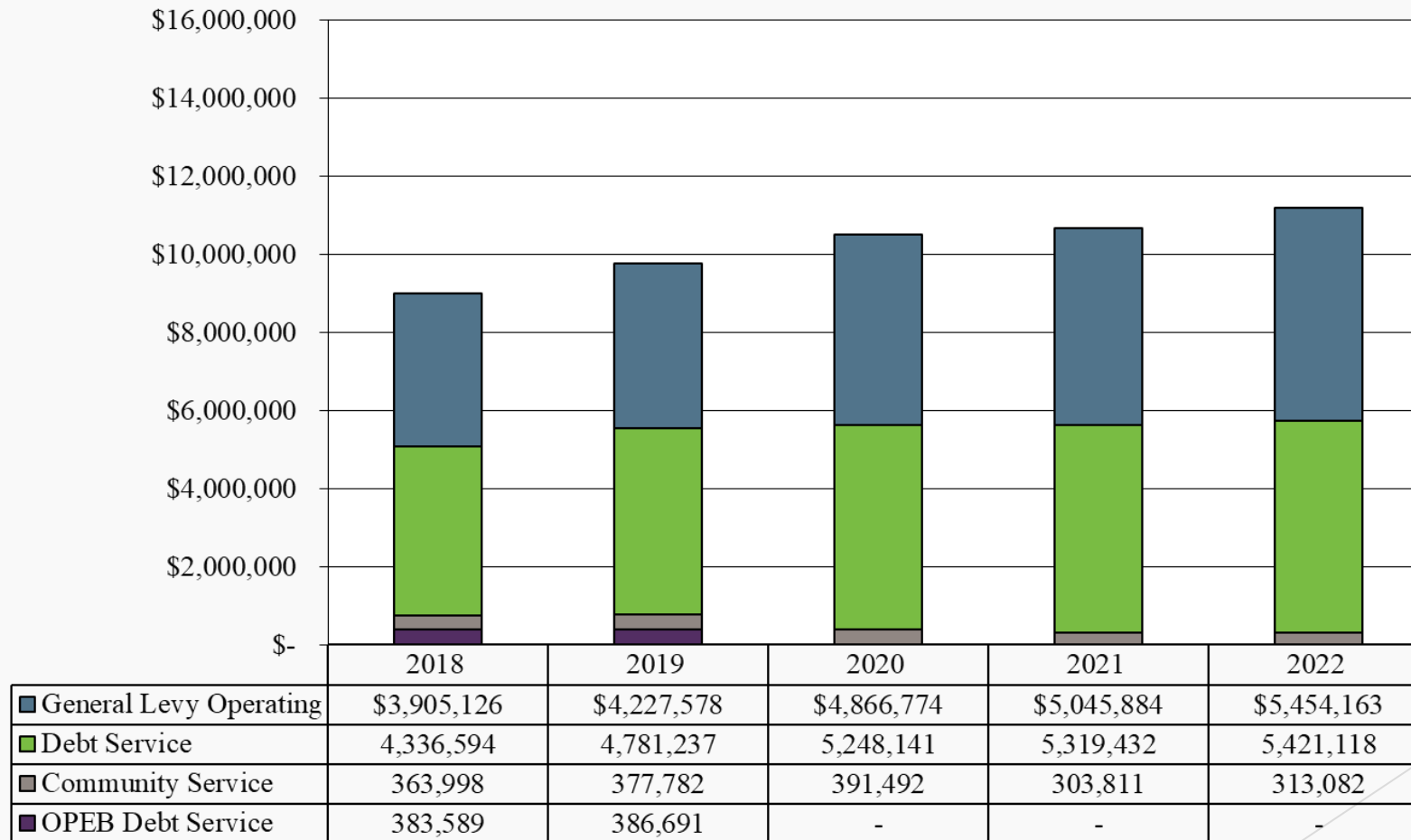
# General Fund Percentage of Expenditures



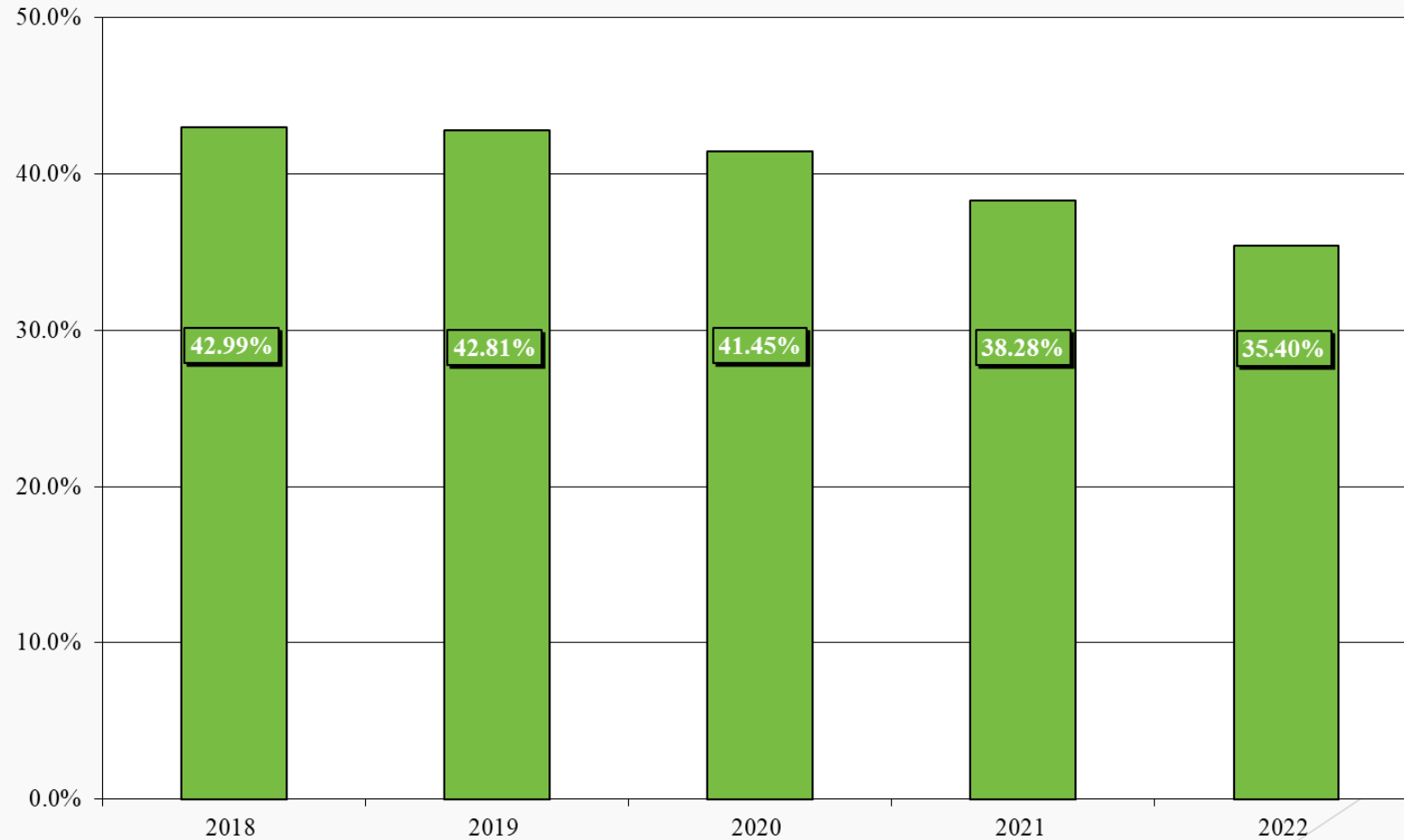
254

# General Fund

## Operations – Computed Tax Levy



# General Fund Operations – Tax Capacity Rates



# Food Service Fund

<b>For the Year Ended June 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Revenues	\$ 1,563,782	\$ 1,559,039	\$ 1,463,232	\$ 1,216,240	\$ 2,363,099
Expenditures	1,580,541	1,536,519	1,407,244	1,281,051	1,858,999
Excess of revenues over (under) expenditures	(16,759)	22,520	55,988	(64,811)	504,100
Fund balance, July 1	204,696	187,937	210,457	266,445	201,634
<b>Fund Balance, June 30</b>	<b>\$ 187,937</b>	<b>\$ 210,457</b>	<b>\$ 266,445</b>	<b>\$ 201,634</b>	<b>\$ 705,734</b>

257

# Community Service Fund

<b>For the Year Ended June 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Revenues	\$ 2,243,337	\$ 2,374,813	\$ 2,024,723	\$ 2,150,604	\$ 2,709,081
Expenditures	2,351,505	2,431,749	2,036,977	1,910,575	2,432,352
Excess of revenues over (under) expenditures	(108,168)	(56,936)	(12,254)	240,029	276,729
Fund balance, July 1	573,205	465,037	408,101	395,847	635,876
<b>Fund Balance, June 30</b>	<b>\$ 465,037</b>	<b>\$ 408,101</b>	<b>\$ 395,847</b>	<b>\$ 635,876</b>	<b>\$ 912,605</b>

<b>Components</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Restricted/reserved for					
Community Education	\$ 312,718	\$ 345,321	\$ 359,366	\$ 575,841	\$ 814,484
ECFE	101,217	59,867	52,390	82,302	125,032
School Readiness	50,080	1,489	(23,826)	(29,881)	(31,078)
Fund purpose	1,022	1,424	7,917	7,614	4,167
<b>Total</b>	<b>\$ 465,037</b>	<b>\$ 408,101</b>	<b>\$ 395,847</b>	<b>\$ 635,876</b>	<b>\$ 912,605</b>

# Questions?

Matt Mayer

952.563.687.

[Matt.Mayer@berganKDV.com](mailto:Matt.Mayer@berganKDV.com)

DO  
MORE.

259



**THANK**  
LET'S DO MORE, TOGETHER.  
**YOU**

*BerganKDV is a leading professional services firm with a contagious culture; where growth is fostered and making a difference means something. Our values drive our decisions, and our passion is empowering people and creating a wow experience for our clients.*

*We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions including business planning and consulting, tax, assurance and accounting, technology, wealth management and turnaround management services. From tax reform to technology, we go beyond so you can...*

**DO MORE.**



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261

## ISD #727 2022-2023 Revised Budget

November 17th, 2022

	Audited Fund Balance June 30,2022	Revenue Budget 22-23	Expenditure Budget 22-23	Projected Net Change Incr(Decr) in Fund Balance	Transfers	Budgeted Fund Balance June 30,2023
<b>General:</b>						
Restricted -						
Long Term Facilities Maintenance	\$ 133,946	\$ 346,639	\$ 348,232	\$ (1,593)	\$ -	\$ 132,353
Operating Capital	\$ 758,930	\$ 779,589	\$ 1,291,165	\$ (511,576)	\$ -	\$ 247,354
Capital Projects Levy	\$ 521,817	\$ 606,298	\$ 615,509	\$ (9,211)	\$ -	\$ 512,606
Staff Development	\$ 125,534	\$ 483,112	\$ 506,465	\$ (23,353)	\$ -	\$ 102,181
Basic Skills	\$ 30,157	\$ 466,282	\$ 494,228	\$ (27,946)	\$ -	\$ 2,211
Third Party/Medical Assistance	\$ 260,211	\$ 50,000	\$ 105,034	\$ (55,034)	\$ -	\$ 205,177
Area Learning Center (ALC)	\$ 30,462	\$ 409,317	\$ 370,117	\$ 39,200	\$ -	\$ 69,662
Scholarships	\$ 24,750	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ 24,750
Student Activities	\$ 22,993	\$ 800	\$ 1,650	\$ (850)	\$ -	\$ 22,143
Committed for Severance	\$ 937,026	\$ -	\$ 34,098	\$ (34,098)	\$ -	\$ 902,928
Committed for Liberty Shelter	\$ 29,120	\$ -	\$ 29,120	\$ (29,120)	\$ -	\$ -
Assigned for Q Comp	\$ 92,169	\$ 786,663	\$ 856,269	\$ (69,606)	\$ -	\$ 22,563
Assigned for Athletics and Activities	\$ 246,912	\$ 1,039,069	\$ 1,089,823	\$ (50,754)	\$ -	\$ 196,158
Assigned for Building Level Activities	\$ 143,735	\$ 15,766	\$ 23,620	\$ (7,854)	\$ -	\$ 135,881
Other Assigned Fund Balances	\$ 640,117	\$ 11,454	\$ 406,833	\$ (395,379)	\$ -	\$ 244,738
Nonspendable for Prepaid Items	\$ 60,752	\$ -	\$ -	\$ -	\$ -	\$ 60,752
Unassigned	\$ 7,883,262	\$ 34,851,742	\$ 36,719,339	\$ (1,867,597)	\$ -	\$ 6,015,665
Subtotal	\$ 11,941,893	\$ 39,858,731	\$ 42,903,502	\$ (3,044,771)	\$ -	\$ 8,897,122
<b>Food Service:</b>						
Restricted						
Restricted	\$ 670,342	\$ 1,953,831	\$ 1,954,509	\$ (678)	\$ -	\$ 669,664
Nonspendable for Inventory	\$ 35,392	\$ -	\$ -	\$ -	\$ -	\$ 35,392
Subtotal	\$ 705,734	\$ 1,953,831	\$ 1,954,509	\$ (678)	\$ -	\$ 705,056
<b>Community Service:</b>						
Restricted -						
Community Education	\$ 814,484	\$ 2,057,352	\$ 2,149,272	\$ (91,920)	\$ -	\$ 722,564
ECFE	\$ 125,032	\$ 268,759	\$ 301,530	\$ (32,771)	\$ -	\$ 92,261
School Readiness	\$ (31,078)	\$ 361,788	\$ 457,841	\$ (96,053)	\$ -	\$ (127,131)
Preschool Screening	\$ 4,167	\$ 18,800	\$ 22,294	\$ (3,494)	\$ -	\$ 673
Subtotal	\$ 912,605	\$ 2,706,699	\$ 2,930,937	\$ (224,238)	\$ -	\$ 688,367
<b>Building Construction Fund</b>						
Restricted -						
Long-Term Facilities Maintenance	\$ 1,106,865	\$ 3,500	\$ 432,163	\$ (428,663)	\$ -	\$ 678,202
Referendum Projects	\$ 26,483,468	\$ 100,000	\$ 9,066,303	\$ (8,966,303)	\$ -	\$ 17,517,165
	\$ 27,590,333	\$ 103,500	\$ 9,498,466	\$ (9,394,966)	\$ -	\$ 18,195,367
<b>Debt Service - Restricted</b>	\$ 1,582,724	\$ 5,847,313	\$ 6,049,549	\$ (202,236)	\$ -	\$ 1,380,488
<b>OPEB Irrevocable Trust Fund</b>	\$ 1,394,029	\$ 20,000	\$ 279,643	\$ (259,643)	\$ -	\$ 1,134,386
<b>Total</b>	\$ 44,127,318	\$ 50,490,074	\$ 63,616,606	\$ (13,126,532)	\$ -	\$ 31,000,786

**SUMMARY OF YTD 21-22 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

**GENERAL FUND:**

**REVENUE:**

	AMOUNT	DATE
Original Budget	\$39,516,107 *	Jun-22
-Increase general education aid for pupil unit increase	\$280,521	
-Increase various state aid budgets per new aid entitlement reports	\$17,864	
-Adjust tax levy for revised estimate of delinquency rate	\$25,844	
-Title grant revisions based on actual entitlements	\$18,395	

**NET CURRENT REVENUE BUDGET**

\$39,858,731

**GENERAL FUND:**

**EXPENSE:**

	AMOUNT	DATE
Original Budget	\$42,563,135 *	Jun-22
-Increase expenditure budget for Assigned Fund Balance projects	\$57,465	
-Decrease various tuition expenditure budgets for revised estimates	(\$44,000)	
-Reinstate capital expenditure budgets for delayed projects	\$168,878	
-Increase insurance expenditure budgets for building values & cybersecurity insurance	\$26,561	
-Staffing budget revision #1-actual health insur costs, actual wage costs for new hires, contract settlement	(\$68,646)	
-Title grant revisions based on revised cost estimates	\$120	
-Increase transportation budget for added single route and additional SPED/C&T/Homeless routes	\$199,989	

**NET CURRENT EXPENSE BUDGET**

\$42,903,502

**SUMMARY OF YTD 21-22 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

	<b>AMOUNT</b>	<b>DATE</b>
<b>FOOD SERVICE FUND:</b>		
<b>REVENUE:</b>		
Original Budget	\$1,953,831	* Jun-22
<b>NET CURRENT REVENUE BUDGET</b>	<u>\$1,953,831</u>	
<b>EXPENSE:</b>		
Original Budget	\$1,953,831	* Jun-22
-Staffing budget revision #1	\$678	
<b>NET CURRENT EXPENSE BUDGET</b>	<u>\$1,954,509</u>	
<b>COMMUNITY SERVICE FUND:</b>		
<b>REVENUE:</b>		
Original Budget	\$2,103,199	* Jun-22
-Incr Kid's Club revenue for increased enrollment and DHS grant dollars	\$440,000	
-Increase Recreation revenue budgets	\$1,500	
-Increase Hive Time revenue for added section and DHS grant dollars	\$162,000	
<b>NET CURRENT REVENUE BUDGET</b>	<u>\$2,706,699</u>	
<b>EXPENSE:</b>		
Original Budget	\$2,344,949	* Jun-22
-Incr various program staffing and professional services budgets for increased participation	\$585,988	
<b>NET CURRENT EXPENSE BUDGET</b>	<u>\$2,930,937</u>	
<b>BUILDING CONSTRUCTION FUND</b>		
<b>REVENUE:</b>		
Original Budget	\$103,500	* Jun-22
<b>NET CURRENT REVENUE BUDGET</b>	<u>\$103,500</u>	
<b>EXPENSE:</b>		
Original Budget	\$9,498,466	* Jun-22
<b>NET CURRENT EXPENSE BUDGET</b>	<u>\$9,498,466</u>	

**SUMMARY OF YTD 21-22 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

	<b>AMOUNT</b>	<b>DATE</b>
<b>DEBT SERVICE FUND</b>		
<b>REVENUE:</b>		
Original Budget	\$5,833,601 *	Jun-22
-Adjust tax levy for revised estimate of delinquency rate	\$13,712	
<b>NET CURRENT REVENUE BUDGET</b>	<u>\$5,847,313</u>	
<b>EXPENSE:</b>		
Original Budget	\$6,049,549 *	Jun-22
<b>NET CURRENT EXPENSE BUDGET</b>	<u>\$6,049,549</u>	
	<b>AMOUNT</b>	<b>DATE</b>
<b>OPEB Irrevocable Trust Fund</b>		
<b>REVENUE:</b>		
Original Budget	20,000 *	Jun-22
<b>NET CURRENT REVENUE BUDGET</b>	<u>20,000</u>	
<b>EXPENSE:</b>		
Original Budget	\$279,643 *	Jun-22
<b>NET CURRENT EXPENSE BUDGET</b>	<u>\$279,643</u>	

**CASH REPORT FOR SCHOOL BOARD**

**BIG LAKE PUBLIC SCHOOLS**  
Independent School District # 727  
for month: Oct 2022

<b>101 - CASH ACCOUNTS</b>					
	<b>Beg Balance</b>	<b>Receipts</b>	<b>Checks</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	\$ 2,518,304	\$ 4,537,640	\$ (4,257,096)		\$ 2,798,848
Food Service	(\$1,570,162)	107,883	(263,995)		(\$1,726,274)
Community Service	(\$618,135)	232,589	(310,498)		(\$696,044)
Building Fund	\$0	289,193	(289,193)		\$0
Debt Service	\$354,912	-	-		\$354,912
Project fund- HVAC (Fund 15)	\$0	82,524	(82,524)		\$0
Custodial Fund (Fund 18)	\$1,236	-	(46)		\$1,190
OPEB Trust Fund	(\$57,017)	700	(83,116)		(\$139,433)
<b>TOTAL PER BOOKS</b>	<b>629,138</b>	<b>5,250,529.00</b>	<b>(\$5,286,468)</b>	<b>\$0</b>	<b>593,199</b>
				General Checking Account	\$593,199
				<b>TOTAL PER BANK</b>	<b>\$593,199</b>

<b>102 - PETTY CASH ACCOUNT</b>					
	<b>Beg Balance</b>	<b>Receipts</b>	<b>Checks</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	\$1,909	-	(\$335)	-	\$1,574
				Petty Cash Checking Account	\$1,574
				<b>TOTAL PER BANK</b>	<b>\$1,574</b>

<b>104 - INVESTMENT ACCOUNTS</b>					
	<b>Beg Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	(\$3,548,130)	\$ 2,760,601	\$ (5,100,000)		(\$5,887,529)
General Fd Operating Investments	\$15,818,988	1,513,086	(738)		\$17,331,336
Food Service	\$2,366,847	101,270	-		\$2,468,117
Community Service	\$1,735,252	72,870	-		\$1,808,122
Debt Service	\$2,999,416	1,281,530	-		\$4,280,946
Facility Maintenance Invest. 2020A (Fd 07)	\$90,500	-	-		\$90,500
Facility Maintenance Invest. 2020A (Fd 15)	\$6,997	231	-		\$7,228
Facility Maintenance Invest. 2021A (Fd 07)	\$50,775	-	-		\$50,775
Facility Maintenance Invest. 2021A (Fd 15)	\$1,156,339	2,891	(82,523)		\$1,076,707
Facilities Investments 2022A (Fd 06)	\$23,178,271	9,774	(305,369)		\$22,882,676
OPEB Trust Fund	\$993,351	725	(59)		\$994,017
OPEB Trust Equities	\$513,772	18,540	-		\$532,312
<b>TOTAL PER BOOKS</b>	<b>\$45,362,378</b>	<b>\$5,761,518</b>	<b>(\$5,488,689)</b>	<b>\$0</b>	<b>\$45,635,207</b>
				MN Trust	\$2,669,656
				Operating Investments	\$17,331,336
				Refunding Bond Investments	\$0
				Building Fund Investments	\$24,107,886
				OPEB Trust	\$1,526,329
				<b>TOTAL PER BANK</b>	<b>\$45,635,207</b>

<b>CASH AND INVESTMENT BALANCE SUMMARY BY FUND</b>					
	<b>Beg Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	\$ 14,791,071	\$ 8,811,327	\$ (9,358,169)	\$ -	\$ 14,244,229
Food Service	\$796,685	209,153	(263,995)	-	\$741,843
Community Service	\$1,117,117	305,459	(310,498)	-	\$1,112,078
Debt Service	3,495,603	1,281,530	-	-	4,777,133
Project Fund HVAC- Fund 15	\$1,163,336	85,646	(165,047)	-	\$1,083,935
Custodial Fund (Fund 18)	\$1,236	-	(46)	-	\$1,190
Bond Account Investments (fund 06)	\$23,178,271	\$298,967	(\$594,562)	\$0	\$22,882,676
OPEB Trust Fund	\$936,334	1,425	(83,175)	-	\$854,584
OPEB Trust Equities	\$513,772	18,540	-	-	\$532,312
<b>TOTAL PER BOOKS</b>	<b>45,993,425</b>	<b>\$11,012,047</b>	<b>(\$10,775,492)</b>	<b>\$0</b>	<b>46,229,980</b>
				Cash	\$593,199
				Petty Cash	\$1,574
		266		Investments	\$45,635,207
				<b>TOTAL PER BANK</b>	<b>\$46,229,980</b>



**WIRE TRANSFER SUMMARY**  
**Big Lake Public Schools**  
**Independent School District #727**  
**October 31, 2022**

DATE	FROM	TO	AMOUNT	PURPOSE
10/3/2022	Old National-Checking	Neopost	\$ 201.00	DO Postage
10/3/2022	Old National-Checking	Heartland Pmt System	\$ 3,665.68	Nutri Kids Credit Card Fees
10/4/2022	Old National-Checking	Further	\$ 459.41	Flex Claim Pymts
10/4/2022	MN Trust-PMA	Old National-Checking	\$ 1,500,000.00	Payroll and Payroll AP
10/5/2022	Old National-Checking	SSI MN TRANCHE 2 LLC	\$ 6,540.06	Solar Contract
10/5/2022	Old National-Checking	USS MINNESOTA ONE MT	\$ 34,642.71	Solar Contract
10/6/2022	Public Surplus	Old National-Checking	\$ 161.00	Equipment/supplies Sales
10/6/2022	Old National-Checking	Delta Dental	\$ 31,804.48	Dental Insurance
10/11/2022	Old National-Checking	FleetCor	\$ 748.82	Kwik Trip Billing
10/11/2022	Old National-Checking	Transfirst/TSYS	\$ 894.22	Affinity Credit Card fees
10/11/2022	Old National-Checking	ELEYOmonthlysoft	\$ 1,275.00	ELEYO User Fees
10/11/2022	Old National-Checking	State of MN	\$ 2,000.00	MN State retirement Plan
10/11/2022	Old National-Checking	Further	\$ 3,373.55	Flex Claim Pymts
10/11/2022	Old National-Checking	Bankcard Service	\$ 3,894.54	ELEYO Credit Card Fees
10/12/2022	Old National-Checking	Further	\$ 22,956.99	H.S.A Contributions
10/12/2022	Old National-Checking	EBC	\$ 77,565.39	403b & 457 contributions
10/14/2022	CC Choices ACH	Old National-Checking	\$ 2,700.00	Pathway I
10/17/2022	Old National-Checking	Old National Bank	\$ 84.03	Old National Service Charge
10/17/2022	Old National-Checking	Neopost	\$ 201.00	DO Postage
10/18/2022	Old National-Checking	MN Dept of Rev	\$ 91.00	Sales Tax
10/18/2022	Old National-Checking	Further	\$ 4,340.57	Flex Claim Pymts
10/19/2022	Old National-Checking	CIGNA	\$ 10,242.49	Life & LTD Insurance
10/20/2022	MN Trust-PMA	Old National-Checking	\$ 2,100,000.00	Payroll and Payroll AP
10/21/2022	Old National-Checking	Further	\$ 381.70	Further Fee
10/21/2022	Old National-Checking	Vision Transportation	\$ 252,377.50	Transportation billing
10/24/2022	Old National-Checking	Windstream	\$ 1,413.10	Windstream billing
10/24/2022	Old National-Checking	EBC	\$ 73,658.58	403b & 457 contributions
10/25/2022	Old National-Checking	Further	\$ 1,339.91	Flex Claim Pymts
10/25/2022	Old National-Checking	BLEM	\$ 8,671.65	Teacher Unions Dues
10/25/2022	Old National-Checking	Further	\$ 22,973.66	H.S.A Contributions
10/28/2022	CC Choices ACH	Old National-Checking	\$ 3,166.00	Pathway I
10/28/2022	Benefit Resource BRI	Old National-Checking	\$ 15,486.56	Cobra Payment
10/28/2022	MN Trust-PMA BONDS	Old National-Checking	\$ 28,919.26	Bond Draw 2022A
10/28/2022	MN Trust-PMA BONDS	Old National-Checking	\$ 82,523.30	Bond Draw 2021A
10/31/2022	Old National-Checking	Bremer Bank	\$ 153.40	ACH Charge
10/31/2022	Old National-Checking	Neopost	\$ 201.00	DO Postage

**COMPLIANCE ISSUES**

- |    |   |                   |
|----|---|-------------------|
| 1) | Preliminary UFARS data loaded to MDE by September 15th, 2022  | In compliance     |
| 2) | Revenue and Expenditure Budget published by earlier of one week after school board accepts final audit or November 30, 2022 | Not in compliance |
| 3) | Final UFARS data to MDE by November 30, 2022  | In compliance     |
| 4) | The 2021/2022 audit (electronic copy) received at MDE by December 31st, 2022  | Not in compliance |
| 5) | Board members having received training in financial matters per statute   | In compliance     |

**FISCAL HEALTH - INCOME STATEMENT PARAMETERS**

- 1) Revenue/Expenditure Monitor - *Exp/Rev Summary - FD Report*

	REVENUE				EXPENDITURES		
	Budget	Actual \$ YTD	<i>(Calculated)</i> Actual % YTD		Budget	Actual \$ YTD	<i>(Calculated)</i> Actual % YTD
General Fund (01,05,11 &12)	\$ 39,858,731	\$ 6,923,830	17%	\$ 42,903,502	\$ 8,590,102	20%	
Food Service (02)	\$ 1,953,831	\$ 362,940	19%	\$ 1,954,509	\$ 336,055	17%	
Community Service (04)	\$ 2,706,699	\$ 873,158	32%	\$ 2,930,937	\$ 884,729	30%	
Building Construction (06)	\$ 103,500	\$ (88,232)	-85%	\$ 9,498,466	\$ 3,465,542	36% <i>Note 1</i>	
Debt Service (07)	\$ 5,847,313	\$ 279,103	5%	\$ 6,049,549	\$ 1,075,912	18%	
OPEB Irrevocable Trust Fund (45)	\$ 20,000	\$ (6,140)	-31%	\$ 279,643	\$ 763	0% <i>Note 1</i>	

- 2) ADM Monitor - *Principals' monthly reporting*

	Original	Revised
Budgeted Seated ADM	3090	3126
Tuition ADM	82	82
Budgeted ADM	3172	3208

**NOTES**

*1. Negative revenue in bldg construction & OPEB trust fund is unrealized loss on market value of investments. Intent is to hold investments to maturity so unrealized loss will reverse in future month*

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# School Board Financial Report

November 17, 2022

Presented by Angie Manuel, Director of Business Services

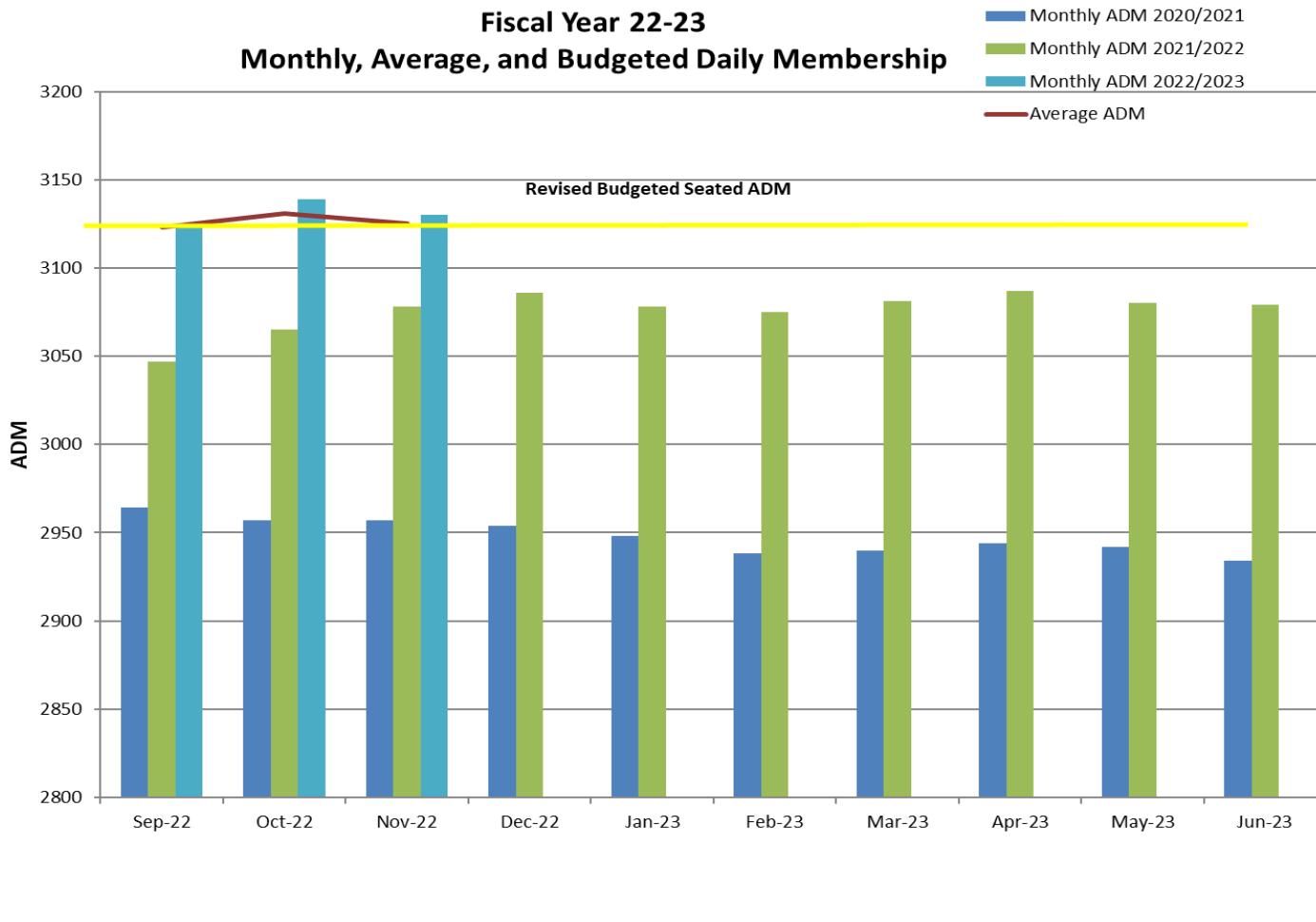
# Enrollment

- November 1<sup>st</sup> seated enrollment net decrease of 9 ADM's
  - 15 students moved, 4 transferred to care and treatment
  - 2 transferred to other districts, 1 withdrawn after 15-day absence
- Average ADM as of November 1st: 3,125
  - Seated enrollment budget increased to 3,126, an increase of 36 ADM's
  - Net General Education Aid increase: \$ 280,521

271

ADM=Average Daily Membership

## Fiscal Year 22-23 Monthly, Average, and Budgeted Daily Membership



# Financial Update

## Budget Revisions to be Approved

### **General Fund Revenues: +\$342,624**

- General Education Aid \$280,521; Various state aids, levies, grants \$62,103

### **General Fund Expenditures: +\$340,367**

- Various capital expenditure budgets reinstated from 21-22 fund balance: \$ 226,343
- Increase transportation budget: \$199,989
  - Increase in special education/care and treatment/homeless routes
  - Added 1 MS/HS single route
- Incr property/liability insurance for revised bldg values and cybersecurity \$26,561
- Decrease tuition and staffing budgets for revised estimates & actual hires \$112,526

273

# Financial Update

## Budget Revisions to be Approved

### **Food Service Fund Expenditures: +\$678**

- Staffing budget revision #1

### **Community Service Revenues: +\$603,500**

- Increased enrollment and participation for Kid's Club, Hive Time, and Recreation

### **Community Service Expenditures +\$585,988**

- Increase program staffing and professional service budgets for increased enrollment

### **Debt Service Fund Revenues: +\$13,172**

- Adjust tax revenues for revised delinquency rate

# General Fund Balance Update

## Unassigned General Fund Balance:

- **\$6,015,665, 16% of unassigned expenditures**
- **Minimum Fund Balance Policy: 8% of expenditures**
- **Continued deficit spending will result in noncompliance with fund balance goal in 2 years**
- **Most COVID federal grants will expire in 23-24**

# Community Service Fund Balance Update

Fee structures are being reviewed along with efficiency of program expenses in order to maintain the current high-quality programming

<b>Community Service:</b>						
<b>Restricted -</b>						
<b>Community Education</b>	\$ 814,484	\$ 2,057,352	\$ 2,149,272	\$ (91,920)	\$ -	\$ 722,564
<b>ECFE</b>	\$ 125,032	\$ 268,759	\$ 301,530	\$ (32,771)	\$ -	\$ 92,261
<b>School Readiness</b>	\$ (31,078)	\$ 361,788	\$ 457,841	\$ (96,053)	\$ -	\$ (127,131)
<b>Preschool Screening</b>	\$ 4,167	\$ 18,800	\$ 22,294	\$ (3,494)	\$ -	\$ 673
<b>Subtotal</b>	<b>\$ 912,605</b>	<b>\$ 2,706,699</b>	<b>\$ 2,930,937</b>	<b>\$ (224,238)</b>	<b>\$ -</b>	<b>\$ 688,367</b>

ISD #727 2022-2023 Revised Budget

November 17th, 2022

	Audited	Revenue	Expenditure	Projected		
	Fund Balance	Budget	Budget	Net Change		Budgeted
	June 30,2022	22-23	22-23	Incr(Decr)	Transfers	Fund Balance
				in Fund Balance		June 30,2023
<b>General:</b>						
Restricted -						
Long Term Facilities Maintenance	\$ 133,946	\$ 346,639	\$ 348,232	\$ (1,593)	\$ -	\$ 132,353
Operating Capital	\$ 758,930	\$ 779,589	\$ 1,291,165	\$ (511,576)	\$ -	\$ 247,354
Capital Projects Levy	\$ 521,817	\$ 606,298	\$ 615,509	\$ (9,211)	\$ -	\$ 512,606
Staff Development	\$ 125,534	\$ 483,112	\$ 506,465	\$ (23,353)	\$ -	\$ 102,181
Basic Skills	\$ 30,157	\$ 466,282	\$ 494,228	\$ (27,946)	\$ -	\$ 2,211
Third Party/Medical Assistance	\$ 260,211	\$ 50,000	\$ 105,034	\$ (55,034)	\$ -	\$ 205,177
Area Learning Center (ALC)	\$ 30,462	\$ 409,317	\$ 370,117	\$ 39,200	\$ -	\$ 69,662
Scholarships	\$ 24,750	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ 24,750
Student Activities	\$ 22,993	\$ 800	\$ 1,650	\$ (850)	\$ -	\$ 22,143
Committed for Severance	\$ 937,026	\$ -	\$ 34,098	\$ (34,098)	\$ -	\$ 902,928
Committed for Liberty Shelter	\$ 29,120	\$ -	\$ 29,120	\$ (29,120)	\$ -	\$ -
Assigned for Q Comp	\$ 92,169	\$ 786,663	\$ 856,269	\$ (69,606)	\$ -	\$ 22,563
Assigned for Athletics and Activities	\$ 246,912	\$ 1,039,069	\$ 1,089,823	\$ (50,754)	\$ -	\$ 196,158
Assigned for Building Level Activities	\$ 143,735	\$ 15,766	\$ 23,620	\$ (7,854)	\$ -	\$ 135,881
Other Assigned Fund Balances	\$ 640,117	\$ 11,454	\$ 406,833	\$ (395,379)	\$ -	\$ 244,738
Nonspendable for Prepaid Items	\$ 60,752	\$ -	\$ -	\$ -	\$ -	\$ 60,752
Unassigned Fund Balance	\$ 7,883,262	\$ 34,851,742	\$ 36,719,339	\$ (1,867,597)	\$ -	\$ 6,015,665
Subtotal	\$ 11,941,893	\$ 39,858,731	\$ 42,903,502	\$ (3,044,771)	\$ -	\$ 8,897,122
<b>Food Service:</b>						
Restricted	\$ 670,342	\$ 1,953,831	\$ 1,954,509	\$ (678)	\$ -	\$ 669,664
Nonspendable for Inventory	\$ 35,392	\$ -	\$ -	\$ -	\$ -	\$ 35,392
Subtotal	\$ 705,734	\$ 1,953,831	\$ 1,954,509	\$ (678)	\$ -	\$ 705,056
<b>Community Service:</b>						
Restricted -						
Community Education	\$ 814,484	\$ 2,057,352	\$ 2,149,272	\$ (91,920)	\$ -	\$ 722,564
ECFE	\$ 125,032	\$ 268,759	\$ 301,530	\$ (32,771)	\$ -	\$ 92,261
School Readiness	\$ (31,078)	\$ 361,788	\$ 457,841	\$ (96,053)	\$ -	\$ (127,131)
Preschool Screening	\$ 4,167	\$ 18,800	\$ 22,294	\$ (3,494)	\$ -	\$ 673
Subtotal	\$ 912,605	\$ 2,706,699	\$ 2,930,937	\$ (224,238)	\$ -	\$ 688,367
<b>Building Construction Fund</b>						
Restricted -						
Long-Term Facilities Maintenance	\$ 1,106,865	\$ 3,500	\$ 432,163	\$ (428,663)	\$ -	\$ 678,202
Referendum Projects	\$ 26,483,468	\$ 100,000	\$ 9,066,303	\$ (8,966,303)	\$ -	\$ 17,517,165
	\$ 27,590,333	\$ 103,500	\$ 9,498,466	\$ (9,394,966)	\$ -	\$ 18,195,367
<b>Debt Service - Restricted</b>	\$ 1,582,724	\$ 5,847,313	\$ 6,049,549	\$ (202,236)	\$ -	\$ 1,380,488
<b>OPEB Irrevocable Trust Fund</b>	\$ 1,394,029	\$ 20,000	\$ 279,643	\$ (259,643)	\$ -	\$ 1,134,386
Total	\$ 44,127,318	\$ 50,490,074	\$ 63,616,606	\$ (13,126,532)	\$ -	\$ 31,000,786

# Free and Reduced Update

- MDE Pilot Project: Medicaid Eligibility
  - Increased Free and Reduced Participation
  - As of early November: 36.3%; Fall 2021 19.5%
  - Will affect 23-24 compensatory revenue

## Unknowns

- Sustainability
- Possible proration of compensatory revenue

# School Board Action

---

**Approve budget revisions and financial report**

# Spotlight BLHS

November 17, 2022

280

# BLHS Goals

## Family & Community Engagement

- All Certified Staff will complete and turn in monthly communication logs.
- The HS will use a hybrid model for conferences.

## Staff Support (Literacy & Achievement)

- Certified Staff will engage in high-quality professional development and then work to craft ways to implement literacy strategies within their classrooms.
- Certified Staff will routinely share literacy strategies they have implemented with their PLC.

## Social-Emotional Learning

- Certified Staff will engage in professional learning during PLC's to explore SEL curriculum to continually foster a positive classroom and school culture.
- Certified Staff will help students to prepare for career and college readiness.

281

# PLC / PD Topics

## ASSESSMENT

- Common Assessments
- Revisiting our alignment to standards

## LITERACY

- Engaging in learning of new strategies to teach vocabulary
- Teachers have led immersive PD on vocabulary teaching in various content areas

## SEL

- Lionsquest & School Connect pilot programs are ongoing

282

# Structure of PLCs

## Monthly Rotation

- Week 1: Mini-Lesson (meet with mixed content groups)
- Week 2: Embedding the topic into instruction (mixed)
- Week 3: Topic in your content area (meet with departments)
- Week 4: Lesson Sharing with Evidence (mixed)

## November 2nd (Primary)

### Rich Vocabulary Instruction Strategies

**What does it mean to provide rich vs. introductory instruction?**

→ In your **Buzz Journal**, create a chart similar to the one below. As you [watch this video](#) and engage with the linked [Vocabulary Strategies](#) please record...

1. What you **NOTICE** (observe) in the **left column**
2. What you **WONDER** (question) in the **middle column**.

→ After engaging with all four strategies, have a **whole group discussion** about what you **noticed/wondered**.

→ Finally, in the **right column** of your chart, record how you might **apply** these strategies in your own practice.

Notice	Wonder	Apply

## November 2nd Continued

1. Using a **new** text/assessment/study guide/instructional resource, go through the **4 Step Process for identifying vocabulary to teach**.
2. For vocabulary you've identified as needing **RICH INSTRUCTION**, **choose 2 of the strategies you engaged with today** (or a **strategy you're already using**, e.g. Glover's Word Palette) to plan an upcoming vocabulary lesson.
  - a. Try to select one strategy **geared toward introducing vocabulary**, and **one for reviewing vocabulary**.
    - i. For example, **New=4 Square** and **Review=Semantic Mapping**
3. **Develop & Teach your planned vocabulary lesson(s)** prior to your Department PLC on November 16th.



# Curriculum

- Safety on a job site
- Safety on a machine
- Personal Protective Equipment (PPE)
- ISO vs SAE patterns
- Simulators
- Permitting
- Storm Water retention
- Soil Types
- Site Setup
- Operating Fundamentals



# Setting up the Site



286

# Top Soil



287

# Digging



288

# Thank You



# Big Lake

**COMMUNITY  
EDUCATION**



## Early Childhood Family Education

# Class Offerings

- Baby Steps
- Play with Me (3)
- ECFE at the Park
- ECFE & Me (at the Library)
- Family Fun for Everyone (3)
- Grandparents and Me (4)
- Move & Learn (Drop in & Play) (weekly)
- Music Makers
- Nature Explorers (6)
- Play and Learn with Me (4)
- Preschool Pals (2)

68 New Families  
453+ Registrations



# Special Events

- Early Childhood Resource Fair
- Gingerbread Adventures
- Little Picassos
- Ooey Goopy Day
- Outdoor Adventures with ....  
(Bring a Friend)
- STEAM 291
- Sweetheart Ball Fundraiser
- ECFE Flower Basket  
Fundraiser

# Little Learners Preschool

Early Childhood



- 14 Sections
  - 6 Outdoor Sections
  - 245 Contracts (103 3yo; 142 4yo)
- Teaching Strategies Gold: KEP Assessment
- Summer Explorers: Free 2022; Small Fee 2023
- Jump Start Kindergarten: Repeat Summer 2023



# Hive Time

Wrap-Around Childcare for our Little Learners

3 Hives: Blue, Gold, Silver

89 School Year Contracts (up 29)

38 Summer Contracts (up 15)

ECSE Partnership

Curriculum Alignment



# Kids Club

- Liberty & Independence Elementaries
- 273 Contracts: 2022-2023 School Year
  - Average Daily Count: 54 Before;168 After
- 304 Contracts: 2022 Summer
  - Average Daily Count 175
- Collaboration with HS Work Program



## Youth Enrichment

# Youth Enrichment

YDYS

Art Studio

Creative Writing

Sewing

Cake Pops

Creative Culinary Classes

Theater Camps

HS Musical

Rubiks Cube Challenge

Archery

Cindra Kamphoff (Family Event Speaker)



# Youth Recreation

Aquatics

Gymnastics

Basketball

Bowling League

Ski Club

Volleyball

Yoga



# Recreation

Pickleball

Yoga

Basketball

Strength Training

Water Aerobics



# Adult Programs

## Enrichment

Starwatch Party

Chunky Knit Classes

Sewing Machine Maintenance



# Special Events

Community Fair Partnership

Pumpkins and Power Tools!



# Opening Doors

Adults with Disabilities

2021-2022



Big Lake is host to:

- Spring Fling Dinner and Dance
- National Night Out
- Bowling at McPete's
- Bingo
- 4 fishing trips on Lake Pulaski

54 Total Registrations

16 Unique Users

# GED/ESL

2021-2022

- 33 Big Lake Residents Served
  - Ages 17-69
  - From: Sudan, Puerto Rico, United Kingdom, Iceland, Guinea, Somalia, Mexico, Peru, El Salvador
- 2 teachers & 1 volunteer
- GED, ESL, GED/Basic Skills in Reading, Writing, Math, and English, Citizenship

# Rentals & Scheduling

Over 11,000 hours of use scheduled 2021-2022!

	2021-22	2020-21	2019-20	2018-19	2017-18
Groups	52	38	20*	35*	35
Hours	11036	8442	COVID & implementation	implementation	n/a

# Big Lake

COMMUNITY  
EDUCATION

**Big Lake**  
COMMUNITY  
EDUCATION

Winter/Spring  
22-23  
Class Catalog



Birth-5



pg 6-12

Preschool



pg 13-15

Child Care



pg 16

Youth



pg 18-29

Adults



pg 30-45

# Big Lake Hornets Activities Department Update



# Department Overview



- 25 MSHSL sports offered
  - 13 additional sports offered at middle school
- 10 Activities / Fine Arts offerings
- 95 different coaches/advisors
- Host approximately 270 events/games each school year
  - Including conference and section championship events

# Fall Participation Numbers

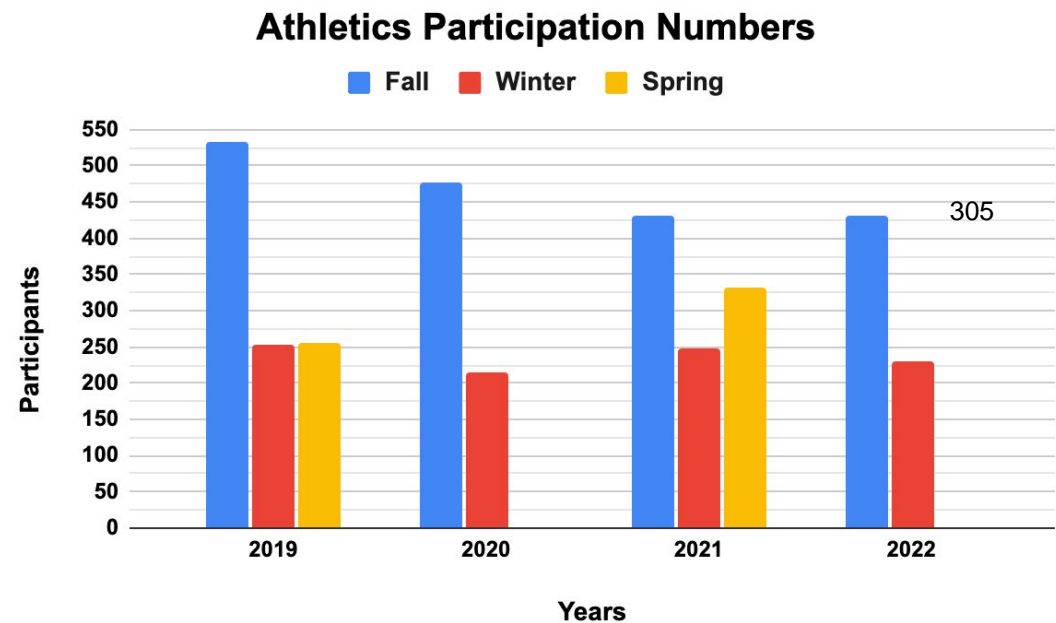


	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
<i>Football</i>	95	74	63	76
<i>Volleyball</i>	45	47	46	40
<i>Girls Swim/Dive</i>	45	43	43	34
<i>Girls Soccer</i>	37	37	28	35
<i>Boys Soccer</i>	39	27	28	26
<i>Girls Tennis</i>	22	32	31	26
<i>Boys XC</i>	25	23	20	23
<i>Girls XC</i>	22	23	17	12
<i>Cheerleading</i>	32	43	37	28
<i>MS Football</i>	82	66	61	67
<i>MS Volleyball</i>	49	38	36	43
<i>MS XC</i>	21	16	9	8
<i>MS Girls Tennis</i>	18	9	12	12
	<b>532</b>	<b>478</b>	<b>431</b>	<b>430</b>

# Fall Participation Numbers



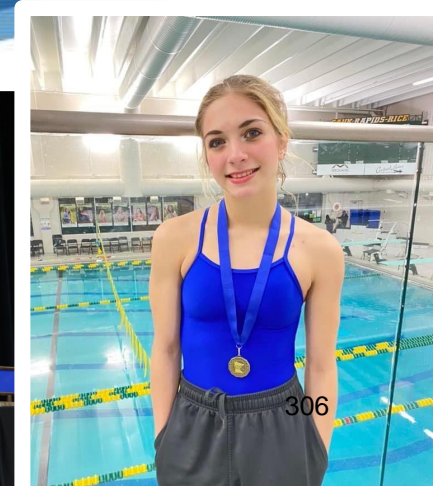
- Trends since 2019:
  - **Fall** 19% decrease
  - **Winter** 7% decrease
  - **Spring** 29% increase
- Overall 4.5% decrease
  - Does not include activities/fine arts





# Fall Sports Highlights

- **Boys' Cross Country**
  - Section Champions
  - 3rd place at State
  - Three All-State runners in Top 12
- **Volleyball**
  - Section Runner-Ups
- **Girls' Soccer**
  - Most wins in a season (9) in program history
- **Diver Britney Krumrei**
  - Section Champion
  - Section Diver of the Year
  - State Qualifier



# Mississippi 8 Updates



- Starting Fall 2023, Zimmerman will be joining the Mississippi 8 Conference as a full member.
  - There are no plans to change the name of the conference - will stay as Mississippi 8.*



**mississippi 8**  
conference





# Bleacher Captains

- Mississippi 8 initiative - Each school selects 10-12 student leaders to be their school's "Bleacher Captains"
- Captains are given a M8 badge/pass that identifies them to event supervisors and gets them into events for free
- Meet officially once to twice a month with Mr. Matson and activities staff
  - Monitor student behavior at home and away events
  - In charge of game themes, new cheers/chants, sportsmanship, positivity, student engagement



# MSHSL Update



- **Finances**

- Participant fee \$2.25 (*down from \$4.60*)
- Activity fee \$160 (*same as last year*)
- Excess funds reduce fees
  - Restructuring state tournaments
    - Host sites, online programs
- Tax exempt status / MSHSL Grants

- **“Together We Make a Difference”**

- Partnering initiative with: MASA, MSBA, MASSP, MNIAAAA, MSHSCA, MESPA
- Goal: Creating safe, supportive school environments in which to learn and participate in activities.
  - Event in October at St. Cloud Tech High School
  - Upcoming statewide event TBD



# MSHSL Update



- **Re-classification / Re-sectioning Timeline**

- *Occurs every two years*
- October - MARSS data due to MDE
- January - Opt-ups are due
- February - Classification cutoffs are released based off MDE data
- March - Appeals due / reviewed by AD Advisory and MSHSL Board of Directors
- April - Section assignments are approved and released

- **District Football Timeline**

- *Every four years, now aligns with re-classifications*
- April/May - Football Placement <sup>310</sup> Committee assigns new districts
- June - MSHSL Board of Directors approves new district assignments
- June - Fall football schedules finalized and released



# Challenges

- Officials
- Staffing
- Transportation
- Participation rates





# Questions?



312





November 14, 2022

Terrence Zerwas  
Director of Buildings and Grounds  
Independent School District #727: Big Lake Schools  
501 Minnesota Avenue  
Big Lake, Minnesota 55309

Re: Independent School District #727  
Big Lake High School Renovations  
Commission No. 222007

Dear TJ:

On Tuesday, October 25, 2022, bids were received from nine contractors for the Big Lake High School Renovations project. The scope of the project includes interior renovations of the media center and select surrounding spaces, as well as reconfiguring the existing District Office into a new fitness center.

It was a great bid day with each of the base bids falling below our construction budget and recent estimates. Regarding the project's two Alternates, we are recommending acceptance of both, as outlined below. The project's bid tabulation is attached for your review.

After having reviewed the bids, it is our recommendation to award the contract to KUE Contractors, as follows:

Base Bid	\$ 2,035,437.00
Alternate No. 1 Phase 2, Fitness Center	\$ 952,566.00
Alternate No. 2 Pipe Joint System	\$ 0.00
<b>TOTAL CONTRACT</b>	<b>\$ 2,988,003.00</b>

Upon approval, we will forward contracts to KUE Contractors to allow them to begin the project.

Sincerely,

Wold Architects and Engineers

Douglas Kahl | AIA  
Associate

Enclosure

cc: Angie Manuel, ISD #727  
Robert Sehm, Wold  
Leslie Lyons, Wold

LW/ISD\_727/222007/crsp/nov22

Wold Architects and Engineers  
313 332 Minnesota Street, Suite W2000  
Saint Paul, MN 55101  
woldae.com | 651 227 7773

PLANNERS  
ARCHITECTS  
ENGINEERS



**PROJECT NAME: BIG LAKE HIGH SCHOOL RENOVATIONS**

**BID TABULATION**

COMMISSION NO.: 222007  
 DATE: 10/25/2022  
 TIME: 2:00p

WOLD ARCHITECTS AND ENGINEERS  
 332 MINNESOTA STREET, SUITE W2000  
 SAINT PAUL, MINNESOTA 55101  
 P: 651 227 7773 F: 651 223 5646

BIDDERS' NAMES:	ADDENDUM NUMBERS:	BID SECURITY:	BASE BID:	ALT #01: PHASE 2, FITNESS CENTER	ALT #02: PIPE JOINT SYSTEMS	REMARKS:
BCI CONSTRUCTION, INC 7135 5TH AVENUE NE SAUK RAPIDS, MN 56379 P: 320 393 3185 F: 320 393 3186	3/3	X	\$2,030,000.00	\$1,070,000.00	\$0.00	
CONSTRUCTION RESULTS CORP 5465 HIGHWAY 169 N PLYMOUTH, MN 55442-1903 P: 763 559 1100 F: 763 553 0494	3/3	X	\$1,928,220.00	\$1,300,000.00	\$0.00	314
EBERT CONSTRUCTION 23350 COUNTY ROAD 10 CORCORAN, MN 55357 P: 763 498 7844 F: 763 498 9951	3/3	X	\$1,978,000.00	\$1,077,000.00	\$0.00	
JORGENSON CONSTRUCTION, INC 9255 EAST RIVER ROAD NW MINNEAPOLIS, MN 55433 P: 763 784 3877 F: 763 784 1583	3/3	X	\$2,015,000.00	\$980,000.00	\$3,000.00	
KUE CONTRACTORS, INC 130 CENTRAL AVENUE S / PO BOX 408 WATKINS, MN 55389 P: 320 764 2525 F: 320 764 2524	3/3	X	\$2,035,437.00	\$952,566.00	\$0.00	
ROCHON CORPORATION 28 2ND STREET NW, SUITE 200 OSSEO, MN 55369 P: 763 559 9393 F: 763 559 8101	3/3	X	\$3,130,000.00	\$2,015,000.00	\$16,000.00	

BIDDERS' NAMES:	ADDENDUM NUMBERS:	BID SECURITY:	BASE BID:	ALT #01: PHASE 2, FITNESS CENTER	ALT #02: PIPE JOINT SYSTEMS		REMARKS:
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SHAW-LUNDQUIST ASSOCIATES, INC 2757 WEST SERVICE ROAD ST. PAUL, MN 55121 P: 651 454 0670 F: 651 454 7982	3/3	X	\$2,095,000.00	\$1,288,000.00	\$0.00		
STAHL CONSTRUCTION COMPANY 861 EAST HENNEPIN AVE, SUITE 200 MINNEAPOLIS, MN 55414 P: 952 931 9300 F: 952 931 9941	3/3	X	\$2,182,000.00	\$930,000.00	\$13,000.00		
VERSACON, INC 9443 SCIENCE CENTER DR MINNEAPOLIS, MN 55428 P: 763 391 5622 F: 763 391 5611	3/3	X	\$2,130,000.00	\$1,135,000.00	\$10,274.00		



November 17, 2022

Terrence Zerwas  
Director of Buildings and Grounds  
Independent School District #727: Big Lake Schools  
501 Minnesota Avenue  
Big Lake, Minnesota 55309

Re: Independent School District #727  
Independence Elementary School Renovation  
Commission No. 222002

Dear TJ:

On Tuesday, November 8, 2022, bids were received from eight contractors for the Independence Elementary School Renovation project. The scope of the project includes mechanical and lighting upgrades, throughout much of the building, major interior renovations to the media center, special education rooms, and the relocated District Office, as well as casework replacements and other miscellaneous improvements.

It was another competitive bid day with all eight bids falling within a fairly narrow range, as well as below our earlier estimates. Regarding the project's four Alternates, we are recommending acceptance of two of them, as outlined below. The selection and acceptance of the Alternates does not affect the determination of the low bidder. The project's bid tabulation is attached for your review.

After having reviewed the bids, it is our recommendation to award the contract to Ebert Construction, as follows:

Base Bid	\$10,048,000.00
Alternate No. 1 Additional Casework	\$ 319,500.00
<u>Alternate No. 2 Art Room Renovation</u>	<u>\$ 49,600.00</u>
<b>TOTAL CONTRACT</b>	<b>\$10,417,100.00</b>

Upon approval, we will forward contracts to Ebert Construction to allow them to begin the project.

Sincerely,

Wold Architects and Engineers

Douglas Kahl | AIA  
Associate

Enclosure

cc: Angie Manuel, ISD #727  
Robert Sehm, Wold  
Leslie Lyons, Wold

LW/ISD\_727/222002/crsp/nov22

Wold Architects and Engineers  
316 332 Minnesota Street, Suite W2000  
Saint Paul, MN 55101  
woldae.com | 651 227 7773

PLANNERS  
ARCHITECTS  
ENGINEERS



**PROJECT NAME: INDEPENDENCE ELEMENTARY SCHOOL RENOVATION**

**BID TABULATION**

COMMISSION NO.: 222002  
 DATE: 11/8/2022  
 TIME: 2:00p

WOLD ARCHITECTS AND ENGINEERS  
 332 MINNESOTA STREET, SUITE W2000  
 SAINT PAUL, MINNESOTA 55101  
 P: 651 227 7773 F: 651 223 5646

BIDDERS' NAMES:	ADDENDUM NUMBERS:	BID SECURITY:	BASE BID:	ALT #01: CASEWORK	ALT #02: ART ROOM RENOVATION	ALT #03: PIPE JOINT SYSTEMS	ALT #04: ALTERNATE ROOFTOP UNIT MANUFACTURER	REMARKS:
BCI CONSTRUCTION 7135 5TH AVE NE SAUK RAPIDS, MN 56379 P: 320 393 3185 F: 320 393 3186	4 / 4	X	\$10,465,000.00	\$392,000.00	\$100,000.00	\$0.00	\$10,000.00	
CORVAL CONSTRUCTORS 1633 EUSTIS ST SAINT PAUL, MN 55108 P: 651 654 0451 F: 651 642 5591	4 / 4	X	\$11,500,000.00	\$430,000.00	\$123,000.00	\$86,000.00	\$6,000.00	
DONLAR CONSTRUCTION 550 SHOREVIEW PARK RD SHOREVIEW, MN 55126 P: 651 227 0631 F: 651 227 0132	4 / 4	X	\$10,699,000.00	\$367,000.00	\$89,000.00	\$45,000.00	\$0.00	317
EBERT CONSTRUCTION 23350 COUNTY RD 10 CORCORAN, MN 55357 P: 763 498 7844 F: 763 498 9951	4 / 4	X	\$10,048,000.00	\$319,500.00	\$49,600.00	\$44,000.00	\$6,300.00	
JORGENSON CONSTRUCTION 9255 EAST RIVER RD NW MINNEAPOLIS, MN 55433 P: 763 784 3877 F: 763 784 1583	4 / 4	X	\$10,750,000.00	\$300,000.00	\$111,000.00	\$245,000.00	\$15,000.00	
KUE CONTRACTORS 130 CENTRAL AVE S / PO BOX 408 WATKINS, MN 55389 P: 320 764 2525 F: 320 764 2524	4 / 4	X	\$10,261,660.00	\$365,000.00	\$113,000.00	\$50,000.00	\$8,000.00	
SHAW-LUNDQUIST ASSOCIATES 2757 WEST SERVICE RD SAINT PAUL, MN 55121 P: 651 454 0670 F: 651 454 7982	4 / 4	X	\$10,518,000.00	\$334,000.00	\$102,000.00	\$42,000.00	\$7,000.00	
STAHL CONSTRUCTION 861 E HENNEPIN AVE, STE 200 MINNEAPOLIS, MN 55414 P: 952 767 2137 F: 952 931 9941	4 / 4	X	\$10,625,000.00	\$215,000.00	\$70,000.00	\$0.00	\$0.00	

Abstract of Votes Cast  
Independent School District No. 727 (BIG LAKE)  
State of Minnesota  
at the State General Election  
Held Tuesday, November 8, 2022

Compiled from the Official Returns.

Summary of Totals  
Independent School District No. 727 (BIG LAKE)  
Tuesday, November 8, 2022 State General Election

Number of persons registered as of 7 a.m.	17127
Number of persons registered on Election Day	555
Number of accepted regular, military, and overseas absentee ballots and mail ballots	1635
Number of federal office only absentee ballots	0
Number of presidential absentee ballots	0
Total number of persons voting	11220

Summary of Totals  
Independent School District No. 727 (BIG LAKE)  
Tuesday, November 8, 2022 State General Election

319

**KEY TO PARTY ABBREVIATIONS**

NP - Nonpartisan

School Board Member (ISD #727) (Elect 3)

NP  
Lenette Brown  
3462

NP  
Tonya Reasoner  
3638

NP  
Ashley Schabilion  
3913

WI  
WRITE-IN  
191

Detail of Election Results  
 Independent School District No. 727 (BIG LAKE)  
 Tuesday, November 8, 2022 State General Election

Precinct	Persons Registered as of 7 A.M.	Persons Registered on Election Day	Total Number of Persons Voting
71 0015 : BECKER TWP	3769	129	2642
71 0020 : BIG LAKE CITY P-01	1751	65	1125
71 0022 : BIG LAKE CITY P-02	1958	72	1085
71 0024 : BIG LAKE CITY P-03	3332	107	1973
71 0075 : ORROCK TWP	2590	64	1789
71 0120 : BIG LAKE TWP P2	2749	92	1899
71 0121 : BIG LAKE TWP P3	978	26	707
Independent School District No. 727 (BIG LAKE) Total:	17127	555	11220

Detail of Election Results  
 Independent School District No. 727 (BIG LAKE)  
 Tuesday, November 8, 2022 State General Election

Office Title: School Board Member (ISD #727) (Elect 3)

Precinct	NP Lenette Brown	NP Tonya Reasoner	NP Ashley Schabilion	WI WRITE-IN
71 0015 : BECKER TWP	147	154	157	6
71 0020 : BIG LAKE CITY P-01	475	519	556	37
71 0022 : BIG LAKE CITY P-02	541	565	609	18
71 0024 : BIG LAKE CITY P-03	933	949	978	51
71 0075 : ORROCK TWP	573	576	645	32
71 0120 : BIG LAKE TWP P2	681	763	845	40
71 0121 : BIG LAKE TWP P3	112	112	123	7
<b>Total:</b>	<b>3462</b>	<b>3638</b>	<b>3913</b>	<b>191</b>

We, the school board members of Independent School District No. 727 (BIG LAKE), certify that we have canvassed the returns of the State General Election held on Tuesday, November 8, 2022 and have herein specified the names of any candidates receiving votes and the number of votes received by each candidate, and have herein specified the number of votes for and against any ballot questions voted on in this election.

As appears by the returns of the election precincts voting in this election, duly returned to, filed, opened, and canvassed, and now remaining on file in the office of the clerk of Independent School District No. 727 (BIG LAKE).

Witness our official signature at \_\_\_\_\_ in \_\_\_\_\_ County this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

State of Minnesota  
Independent School District No. 727 (BIG LAKE)

I, \_\_\_\_\_, Clerk of the Independent School District No. 727 (BIG LAKE) do hereby certify the within and foregoing \_\_\_\_\_ pages to be a full and correct copy of the original abstract and return of the votes cast in the Independent School District No. 727 (BIG LAKE) State General Election held on Tuesday, November 8, 2022.

Witness my hand and official seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_

**RESOLUTION CANVASSING RETURNS  
OF VOTES OF SCHOOL DISTRICT GENERAL ELECTION**

**BE IT RESOLVED** by the School Board of Independent School District No. 727, as follows:

1. It is hereby found, determined and declared that the general election of the voters of the district held on November 8, 2022, was in all respects duly and legally called and held.

2. As specified in the attached Abstract and Return of Votes Cast, a total of 11,220 voters of the district voted at said election on the election of three board members for four-year term vacancies on the board caused by expiration of term for the first Monday in January next following the general election as follows:

Ashley Schabilion	3,913
Tonya Reasoner	3,638
Lenette Brown	3,462

3. Ashley Schabilion, Tonya Reasoner, and Lenette Brown having received the highest number of votes, are elected to four-year terms beginning the first Monday in January 2023.

4. The school district clerk is hereby authorized to certify the results of the election to the county auditor of each county in which the school district is located in whole or in part.

---

Tony Scales, Clerk  
November 17, 2022

Attached: Abstract and Return of Votes Cast

RESOLUTION AUTHORIZING ISSUANCE OF CERTIFICATES OF ELECTION AND  
DIRECTING SCHOOL DISTRICT CLERK  
TO PERFORM OTHER ELECTION RELATED DUTIES

WHEREAS, the board has canvassed the general election for school board members held on November 8<sup>th</sup>, 2022.

NOW THEREFORE, BE IT RESOLVED by the School Board of Independent School District No. 727, State of Minnesota, as follows:

1. The chair and clerk are hereby authorized to execute certificates of election on behalf of the school board of Independent School District No. 727 to the following candidates:

- a. Ashley Schabilion
- b. Tonya Reasoner
- c. Lenette Brown

who have received a sufficiently large number of votes to be elected to fill vacancies on the board caused by expiration of term on the first Monday in January next following the election, based on the results of the canvass.

2. The certificate of election shall be in substantially the form attached hereto.

3. After the time for contesting the election has passed and the candidate has filed all campaign financial reports required by Minnesota Statutes, Chapter 211A, the clerk of the school board is hereby directed to deliver the certificates to the persons entitled thereto personally or by certified mail.

4. The clerk is hereby directed to enclose with the certificate a form of acceptance of office and oath of office in substantially the form attached hereto.

CERTIFICATE OF ELECTION  
(Full 4-Year Term)

This is to certify as follows:

1. The School Board of Independent School District No. 727 on November 17, 2022, canvassed the general election of school board members held on November 8, 2022.
2. Ashley Schabilion received the largest number of votes cast for the office of school board member of Independent School District No. 727 for a full four-year term.
3. There are three full four-year term vacancies on the board caused by expiration of term on the first Monday in January next following the election.
4. Therefore Ashley Schabilion is elected to the office of school board member of Independent School District No. 727 for a full four-year term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

By authority of the School Board of Independent School District No. 727, pursuant to resolution dated November 17, 2022.

Dated: \_\_\_\_\_

\_\_\_\_\_

Chair

Dated: \_\_\_\_\_

\_\_\_\_\_

Clerk

ACCEPTANCE OF OFFICE  
AND OATH OF OFFICE

To: Ashley Schabilion

The following acceptance and oath of office must be filed with the school district clerk within 30 days of the date of mailing or personal service of the certificate of election.

ACCEPTANCE OF OFFICE

I hereby accept the office of school board member of Independent School District No. 727 for a term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

OATH OF OFFICE

I swear that I will support the Constitution of the United States and of this state, and that I will discharge faithfully the duties of the office of school board member of Independent School District No. 727 to the best of my judgment and ability.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

CERTIFICATE OF ELECTION  
(Full 4-Year Term)

This is to certify as follows:

1. The School Board of Independent School District No. 727 on November 17, 2022, canvassed the general election of school board members held on November 8, 2022.
2. Tonya Reasoner received the second largest number of votes cast for the office of school board member of Independent School District No. 727 for a full four-year term.
3. There are three full four-year term vacancies on the board caused by expiration of term on the first Monday in January next following the election.
4. Therefore Tonya Reasoner is elected to the office of school board member of Independent School District No. 727 for a full four-year term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

By authority of the School Board of Independent School District No. 727, pursuant to resolution dated November 17, 2022.

Dated: \_\_\_\_\_

\_\_\_\_\_

Chair

Dated: \_\_\_\_\_

\_\_\_\_\_

Clerk

ACCEPTANCE OF OFFICE  
AND OATH OF OFFICE

To: Tonya Reasoner

The following acceptance and oath of office must be filed with the school district clerk within 30 days of the date of mailing or personal service of the certificate of election.

ACCEPTANCE OF OFFICE

I hereby accept the office of school board member of Independent School District No. 727 for a term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

OATH OF OFFICE

I swear that I will support the Constitution of the United States and of this state, and that I will discharge faithfully the duties of the office of school board member of Independent School District No. 727 to the best of my judgment and ability.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

CERTIFICATE OF ELECTION  
(Full 4-Year Term)

This is to certify as follows:

1. The School Board of Independent School District No. 727 on November 17, 2022, canvassed the general election of school board members held on November 8, 2022.
2. Lenette Brown received the third largest number of votes cast for the office of school board member of Independent School District No. 727 for a full four-year term.
3. There are three full four-year term vacancies on the board caused by expiration of term on the first Monday in January next following the election.
4. Therefore Lenette Brown is elected to the office of school board member of Independent School District No. 727 for a full four-year term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

By authority of the School Board of Independent School District No. 727, pursuant to resolution dated November 17, 2022.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Chair

Dated: \_\_\_\_\_

\_\_\_\_\_  
Clerk

ACCEPTANCE OF OFFICE  
AND OATH OF OFFICE

To: Lenette Brown

The following acceptance and oath of office must be filed with the school district clerk within 30 days of the date of mailing or personal service of the certificate of election.

ACCEPTANCE OF OFFICE

I hereby accept the office of school board member of Independent School District No. 727 for a term beginning the first Monday in January 2023 and expiring the first Monday in January 2027.

Date: \_\_\_\_\_  
Signature \_\_\_\_\_

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

OATH OF OFFICE

I swear that I will support the Constitution of the United States and of this state, and that I will discharge faithfully the duties of the office of school board member of Independent School District No. 727 to the best of my judgment and ability.

Date: \_\_\_\_\_  
Signature \_\_\_\_\_

STATE OF MINNESOTA )

COUNTY OF SHERBURNE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public



Policy 438  
Adopted: 8.23.07  
Reviewed: 1.5.15  
Revised: 2.26.15  
Reviewed: 5.25.17  
Revised:

## NON-SCHOOL SPONSORED SOLICITATIONS BY STAFF MEMBERS

A Big Lake Schools staff member shall not use his/her position with parents or students to solicit purchases of services or materials except those approved by the Superintendent.

***Rationale:*** *Big Lake Schools, shall operate in accordance with the highest legal and ethical standards.*



Policy 531  
Adopted: 5.24.07  
Reviewed: 4.6.15  
Revised: 5.28.15  
Reviewed: 8.24.17  
Revised:

## **PLEDGE OF ALLEGIANCE**

### **I. PURPOSE**

The school board recognizes the need to display an appropriate United States flag and to provide instruction to students in the proper etiquette, display, and respect of the flag. The purpose of this policy is to provide for recitation of the Pledge of Allegiance and instruction in school to help further that end.

### **II. GENERAL STATEMENT OF POLICY**

Students in this school district shall recite the Pledge of Allegiance to the flag of the United States of America one or more times each week. The recitation shall be conducted:

- A. By each individual classroom teacher or the teacher's surrogate; or
- B. Over a school communication system by a person designated by the school principal or other person having administrative control over the school.

### **III. EXCEPTIONS**

Anyone who does not wish to participate in reciting the Pledge of Allegiance for any personal reasons may elect not to do so. Students and school personnel must respect another person's right to make that choice.

### **IV. INSTRUCTION**

Students will be instructed in the proper etiquette toward, correct display of, and respect for the flag, and in patriotic exercises.

**Legal Reference:** Minn. Stat. § 121A.11, Subd. 3 and Subd. 4 (United States Flag)

**Cross References:** None



## CURRICULUM DEVELOPMENT

### I. PURPOSE

The purpose of this policy is to provide direction for continuous review and improvement of the school curriculum.

### II. GENERAL STATEMENT OF POLICY

Curriculum development shall be directed toward the fulfillment of the goals and objectives of the education program of the school district.

### III. RESPONSIBILITY

The superintendent shall be responsible for curriculum development and for determining the most effective way of conducting research on the school district's curriculum needs and establishing a long range curriculum development program. Timelines shall be determined by the superintendent that will provide for periodic reviews of each curriculum area.

### IV. DISTRICT ADVISORY COMMITTEE

- A. The school board shall establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards.
- B. The district advisory committee, to the extent possible, shall reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. Whenever possible, parents and other community residents shall comprise at least two-thirds of advisory committee members.
- C. The district advisory committee shall pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with Minnesota Statutes section 124D.59, subdivisions 2 and 2a.
- D. The district may establish site teams as subcommittees of the district advisory committee.
- E. The district advisory committee shall recommend to the school board
  - 1) rigorous academic standards, student achievement goals and measures consistent with Minnesota Statutes section 120B.11, subdivision 1a, section 120B.022, subdivisions 1a and 1b, and section 120B.35,
  - 2) district assessments,
  - 3) means to improve students' equitable access to effective and more diverse teachers, and
  - 4) program evaluations.
- F. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs.

### V. SCHOOL SITE TEAM

Each school must establish a site team to develop and implement strategies and education effectiveness practices to improve instruction, curriculum, cultural competencies, including cultural awareness and cross-cultural communication, and student achievement at the school site. The site team must include an equal number

of teachers and administrators and at least one parent. The site team advises the board and the advisory committee about developing the annual budget and creates an instruction and curriculum improvement plan to align curriculum, assessment of student progress, and growth in meeting state and district academic standards and instruction.

## VI. CURRICULUM DEVELOPMENT PROCESS

- A. Within the ongoing process of curriculum development, the following needs shall be addressed
- 1) Provide for articulation of courses of study from kindergarten through grade twelve
  - 2) Identify minimum objectives for each course and at each elementary grade level
  - 3) Provide for continuing evaluation of programs for the purpose of attaining school district objectives
  - 4) Provide a program for ongoing monitoring of student progress
  - 5) Provide for specific, particular, and special needs of all members of the student community
  - 6) Develop a local literacy plan to have every child reading at or above grade level no later than the end of grade 3, including English learners, and teachers providing comprehensive, scientifically based reading instruction consistent with law.
  - 7) Integrate required and elective course standards in the scope and sequence of the district curriculum
  - 8) Meet all applicable requirements of the Minnesota Department of Education and federal law
- B. Students identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2 must be screened for characteristics of dyslexia. Students in grade 3 or higher who demonstrate a reading difficulty to a classroom teacher must be screened for characteristics of dyslexia, unless a different reason for the reading difficulty has been identified. See Minnesota Statutes section 120B.12, Subd. 2.
- C. Students who do not meet or exceed Minnesota academic standards, as measured by the Minnesota Comprehensive Assessments that are administered during high school, shall be informed that admission to a public school is free and available to any resident under 21 years of age or who meets the requirements of Minnesota Statutes section 120A.20, Subd. 1(c). A student's plan under this section shall continue while the student is enrolled.
- D. The superintendent shall be responsible for keeping the school board informed of all state-mandated curriculum changes, as well as recommended discretionary changes, and for periodically presenting recommended modifications for school board review and approval.
- E. The superintendent shall have discretionary authority to develop guidelines and directives to implement school board policy relating to curriculum development.

**Legal References:** Minn. Stat. § 120B.10 (Findings; Improving Instruction and Curriculum)  
Minn. Stat. § 120B.11 (School District Process)  
Minn. Stat. § 120B.12 (Reading Proficiently No Later than the End of Grade 3)  
Minn. Stat. § 120B.125(f) (Planning for Students' Successful Transition to Postsecondary Education and Employment)  
Minn. Rules Part 3500.0550 (Inclusive Educational Program)

Minn. Rules Parts 3501.0640-3501.0655 (Academic Standards for Language Arts)  
Minn. Rules Parts 3501.0700-3501.0745 (Academic Standards for Mathematics)  
Minn. Rules Part 3501.0820 (Academic Standards for the Arts)  
Minn. Rules Parts 3501.0900-3501.0955 (Academic Standards in Science)  
Minn. Rules Parts 3501.1200-3501.1210 (Academic Standards for English Language Development)  
Minn. Rules Parts 3501.1300-3501.1345 (Academic Standards for Social Studies)  
Minn. Rules Parts 3501.1400-3501.1410 (Academic Standards for Physical Education)  
20 U.S.C. § 6301, *et seq.* (Every Student Succeeds Act)

***Cross References:*** MSBA/MASA Model Policy 604 (Instructional Curriculum)  
MSBA/MASA Model Policy 605 (Alternative Programs)  
MSBA/MASA Model Policy 613 (Graduation Requirements)  
MSBA/MASA Model Policy 614 (School District Testing Plan and Procedure)  
MSBA/MASA Model Policy 615 (Testing Accommodations, Modifications, and Exemptions for IEPs, Section 504 Plans, and LEP Students)  
MSBA/MASA Model Policy 616 (School District System Accountability)  
MSBA/MASA Model Policy 618 (Assessment of Student Achievement)  
MSBA/MASA Model Policy 619 (Staff Development for Standards)  
MSBA/MASA Model Policy 620 (Credit for Learning)  
MSBA/MASA Model Policy 623 (Mandatory Summer School Instruction)

## **INSTRUCTIONAL CURRICULUM**

### **I. PURPOSE**

The purpose of this policy is to provide for the development of course offerings for students

### **II. GENERAL STATEMENT OF POLICY**

- A. Instruction must be provided in at least the following subject areas:
  - 1) Language arts and basic communication skills including reading and writing, literature, and fine arts;
  - 2) Mathematics and science;
  - 3) Social studies, including history, geography, economics, government, and citizenship that include civics;
  - 4) Health and physical education;
  - 5) The arts;
  - 6) Career and technical education; and
  - 7) World languages.
- B. The basic instructional program shall include all courses required for each grade level by the Minnesota Department of Education and all courses required in all elective subject areas. The instructional approach will be nonsexist and multicultural.
- C. Elementary and middle schools shall offer at least three, and require at least two, of the following four art areas: dance, music, theater, and visual arts. High schools shall offer at least three, and require at least one, of the following five art areas: media arts, dance, music, theater, and visual arts.
- D. The school board, at its discretion, may offer additional courses in the instructional program at any grade level.
- E. Each instructional program shall be planned for optimal benefit taking into consideration the financial condition of the school district and other relevant factors. Each program plan should contain goals and objectives, materials, minimum student competency levels, and methods for student evaluation.
- F. The superintendent shall have discretionary authority to develop guidelines and directives to implement school board policy relating to instructional curriculum.

### **III. PARENTAL CURRICULUM REVIEW**

The school district shall have a procedure for a parent, guardian, or an adult student, 18 years of age or older, to review the content of the instructional materials to be provided to a minor child or to an adult student and, if the parent, guardian, or adult student objects to the content, to make reasonable arrangements with school personnel for alternative instruction. Alternative instruction may be provided by the parent, guardian, or adult student if the alternative instruction, if any, offered by the school board does not meet the concerns of the parent, guardian, or adult student. The school board is not required to pay for the costs of alternative instruction provided by a parent, guardian, or adult student. School personnel may

not impose an academic or other penalty upon a student merely for arranging alternative instruction under this section. School personnel may evaluate and assess the quality of the student's work.

#### **IV. CPR AND AED INSTRUCTION**

The school district will provide onetime cardiopulmonary resuscitation (CPR) and automatic external defibrillator (AED) instruction as part of its grade 7 to 12 curriculum

- A. In the school district's discretion, training and instruction may result in CPR certification.
- B. CPR and AED instruction must include CPR and AED training that have been developed:
  - 1) by the American Heart Association or the American Red Cross and incorporate psychomotor skills to support the instruction; or
  - 2) using nationally recognized, evidence-based guidelines for CPR and incorporate psychomotor skills to support the instruction. "Psychomotor skills" means hands-on practice to support cognitive learning; it does not mean cognitive-only instruction and training.
- C. The school district may use community members such as emergency medical technicians, paramedics, police officers, firefighters, and representatives of the Minnesota Resuscitation Consortium, the American Heart Association, or the American Red Cross, among others, to provide instruction and training.
- D. A school administrator may waive this curriculum requirement for a high school transfer student regardless of whether or not the student previously received instruction under this section, an enrolled student absent on the day the instruction occurred under this section, or an eligible student who has a disability.

#### **V. COLLEGE AND CAREER PLANNING**

- A. The school district shall assist all students by no later than grade 9 to explore their educational college and career interests, aptitudes, and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. All students' plans must:
  - 1) provide a comprehensive plan to prepare for and complete career and college-ready curriculum by meeting state and local academic standards and developing career and employment-related skills such as teamwork, collaboration, creativity, communication, critical thinking, and good work habits;
  - 2) emphasize academic rigor and high expectations and inform the student and the student's parent or guardian, if the student is a minor, of the student's achievement level score on the Minnesota Comprehensive Assessments that are administered during high school;
  - 3) help students identify interests, aptitudes, aspirations, and personal learning styles that may affect their career and college-ready goals and postsecondary education and employment choices;
  - 4) set appropriate career and college-ready goals with timelines that identify effective means for achieving those goals;
  - 5) help students access education and career options;
  - 6) integrate strong academic content into career-focused courses and applied and experiential learning opportunities and integrate relevant career-

focused courses and applied and experiential learning opportunities into strong academic content;

- 7) help identify and access appropriate counseling and other supports and assistance that enable students to complete required coursework, prepare for postsecondary education and careers, and obtain information about postsecondary education costs and eligibility for financial aid and scholarship;
  - 8) help identify collaborative partnerships among pre-kindergarten through grade 12 schools, postsecondary institutions, economic development agencies, and local and regional employers that support students' transitions to postsecondary education and employment and provide students with applied and experiential learning opportunities; and
  - 9) be reviewed and revised at least annually by the student, the student's parent or guardian, and the school district to ensure that the student's course-taking schedule keeps the student making adequate progress to meet state and local academic standards and high school graduation requirements and with a reasonable chance to succeed with employment or postsecondary education without the need to first complete remedial course work.
- B. The school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select or pursue a career, career interest, employment goals, or related job training.
  - C. Educators must possess the knowledge and skills to effectively teach all English learners in their classrooms. School districts must provide appropriate curriculum, targeted materials, professional development opportunities for educators, and sufficient resources to enable English learners to become career and college-ready.
  - D. When assisting students in developing a plan for a smooth and successful transition to postsecondary education and employment, school districts must recognize the unique possibilities of each student and ensure that the contents of each student's plan reflect the student's unique talents, skills, and abilities as the student grows, develops, and learns.
  - E. If a student with a disability has an Individualized Education Program (IEP) or standardized written plan that meets the plan components herein, the IEP satisfies the requirement, and no additional transition plan is needed.
  - F. Students who do not meet or exceed the Minnesota Academic Standards, as measured by the Minnesota Comprehensive Assessments that are administered during high school, shall be informed that admission to a public school is free and available to any resident under 21 years of age or who meets the requirements of the compulsory attendance law. A student's plan under this provision shall continue while a student is enrolled.

## **VI. CIVICS TEST**

- A. A student enrolled in a public school must correctly answer at least 30 of 50 civics test questions. A school or district may record on a student's transcript that the student answered at least 30 of 50 civics test questions correctly.
- B. "Civics test questions" means 50 of the 100 questions that, as of January 1, 2015, United States Citizenship and Immigration Services officers use to select the questions they pose to applicants for naturalization so the applicants can demonstrate their knowledge and understanding of the

fundamentals of United States history and government, as required by federal law. The Learning Law and Democracy Foundation, in consultation with Minnesota civics teachers, must select by July 1 each year 50 of the 100 questions under this paragraph to serve as the state's civics test questions for the proximate school year and immediately transmit the 50 selected civics test questions to MDE and to the Legislative Coordinating Commission, which must post the 50 questions it receives on the Minnesota's Legacy website by August 1 of that year.

- C. The school district may exempt a student with disabilities from this requirement if the student's IEP team determines the requirement is inappropriate and establishes an alternative requirement.
- D. The school district may administer the civics test questions in a language other than English to students who qualify for English learner services.
- E. The school district may administer civics test questions as part of the social studies curriculum.
- F. The school district must not prevent a student from graduating or deny a student a high school diploma for failing to correctly answer at least 30 of 50 civics test questions.
- G. The school district cannot charge a fee related to this requirement.

**Legal References:** Minn. Stat. § 120A.20 (Parental Curriculum Review)  
Minn. Stat. § 120A.22 (Compulsory Instruction)  
Minn. Stat. § 120B.021 (Required Academic Standards)  
Minn. Stat. § 120B.022 (Elective Standards)  
Minn. Stat. § 120B.125 (Planning for Students' Successful Transition to Postsecondary Education and Employment; (Personal Learning Plans)  
Minn. Stat. § 120B.236 (Cardiopulmonary Resuscitation and Automatic External Defibrillator Instruction)

**Cross References:** MSBA/MASA Model Policy 603 (Curriculum Development)  
MSBA/MASA Model Policy 605 (Alternative Programs)